Original Application

Vanderbilt University Medical Center

CN1705-016

VANDERBILT UNIVERSITY MEDICAL CENTER

C. Wright Pinson, M.B.A., M.D.
Deputy Chief Executive Officer, VUMC
Chief Executive Officer, Vanderbilt Health System
Senior Associate Dean for Clinical Affairs

May 15, 2017

Melanie M. Hill, Executive Director
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, Tennessee 37243

RE: CON Application Submittal

Dear Ms. Hill:

Enclosed please find an original and two copies of a Certificate of Need application for Vanderbilt University Medical Center (VUMC). A check for the filing fee of $17,460.41 is also enclosed.

Vanderbilt University Medical Center owns the Vanderbilt University Hospital, the Monroe Carell Jr. Children's Hospital at Vanderbilt, and Vanderbilt Psychiatric Hospital; these facilities operate under one hospital license as Vanderbilt University Medical Center. The Monroe Carell Jr. Children's Hospital at Vanderbilt (MCJCHV) is one of the nation's best children's hospitals by *U.S. News & World Report*. Children's Hospital is the only pediatric hospital in Tennessee receiving national rankings for 10 out of 10 of its pediatric specialty programs. In addition, MCJCHV is the only provider in the region that has dedicated pediatric MRIs. Based on MCJCHV's current volumes exceeding the total capacity of 3,600 procedures per machine and the technology advancements contributing to the enhanced image clarity in MRI, VUMC would greatly appreciate your including this item on the Consent Calendar for the Agency's meeting scheduled for August 23, 2017. The project does not change number of licensed beds at VUMC.

Please let me know if you have questions and/ or need additional information.

Respectfully,

C. Wright Pinson, M.B.A, M.D.
Deputy Chief Executive Officer, VUMC

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State of Tennessee
Health Services and Development Agency
Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

CERTIFICATE OF NEED APPLICATION

SECTION A: APPLICANT PROFILE

1. ***Name of Facility, Agency, or Institution***

Vanderbilt University Medical Center
Name

1211 Medical Center Drive — Davidson
Street or Route — County

Nashville — TN — 37232
City — State — Zip Code

Website address: www.vanderbilthealth.com

*Note: The facility's name and address **must be** the name and address of the project and **must be** consistent with the Publication of Intent.*

2. ***Contact Person Available for Responses to Questions***

Ginna Felts — Vice President
Name — Title

Vanderbilt University Medical Center — ginna.rader@vanderbilt.edu
Company Name — Email address

3319 West End Avenue, Suite 920 — Nashville — TN — 37203
Street or Route — City — State — Zip Code

Employee — 615-936-6005 — 615-936-5310
Association with Owner — Phone Number — Fax Number

NOTE: ***Section A*** is intended to give the applicant an opportunity to describe the project. ***Section B*** addresses how the project relates to the criteria for a Certificate of Need by addressing: Need, Economic Feasibility, and the Contribution to the Orderly Development of Health Care.

Please answer all questions on ***8½" X 11" white paper, clearly typed and spaced, single or double-sided, in order and sequentially numbered. In answering, please type the question and the response.*** All questions must be answered. If an item does not apply, please indicate *"N/A" (not applicable).* ***Attach appropriate documentation as an Appendix at the end of the application and reference the applicable Item Number on the attachment, i.e., Attachment A.1, A.2, etc. The last page of the application should be a completed signed and notarized affidavit.***

3. SECTION A: EXECUTIVE SUMMARY

A. Overview

Please provide an overview not to exceed three pages in total explaining each numbered point.

1) Description – Address the establishment of a health care institution, initiation of health services, bed complement changes, and/or how this project relates to any other outstanding but unimplemented certificates of need held by the applicant;

RESPONSE: Vanderbilt University Medical Center owns the Vanderbilt University Hospital, the Monroe Carell Jr. Children's Hospital at Vanderbilt, and Vanderbilt Psychiatric Hospital. These facilities operate under one hospital license as Vanderbilt University Medical Center (VUMC).

VUMC provides a number of clinical services unique to its region including: a Level 1 Trauma Center, a Level 1 Pediatric Trauma Center, a comprehensive Regional Burn Center, a Level 4 Neonatal Intensive Care Unit, the Vanderbilt-Eskind Diabetes Center and the Vanderbilt-Ingram Cancer Center, the only National Cancer Institute-designated comprehensive cancer center in Tennessee to treat both adult and pediatric cancer patients.

Specifically, the Monroe Carell Jr. Children's Hospital at Vanderbilt (MCJCHV) was constructed in 2004. Since 2004, it has experienced significant growth in demand for pediatric inpatient and outpatient services. These areas of growth have landed MCJCHV on multiple national awards lists, and several of this year's awards are provided below.

In 2016, Monroe Carell Jr. Children's Hospital at Vanderbilt was again named one of the nation's best children's hospitals by *U.S. News & World Report*. Children's Hospital is the only pediatric hospital in Tennessee receiving national rankings for 10 out of 10 of its pediatric specialty programs in the magazine's 2016-2017 Best Children's Hospitals rankings, with half of those specialties among the top 20 in the country.

MCJCHV was also one of only nine children's hospitals in the nation, and the only children's hospital in Tennessee, to be named a Leapfrog Top Hospital for 2016. Among all hospital categories rated — general, children's, rural and teaching — only 6 percent of eligible hospitals from across the U.S. earned the Top Hospital award from The Leapfrog Group this year.

In addition to this growth, MCJCHV has initiated the construction on a four (4) story expansion of the hospital. (This project is covered by CN710-075 and CN1406-021). While 77% of MCJCHV's MRI procedures in FY16 are from the counties listed below, children and families seek subspecialty care at MCJCHV from Tennessee and surrounding states. The addition of this MRI will continue to support the clinical growth of the pediatric hospital and will accommodate the growth of these subspecialty programs, including but not limited to Neurology/ Neurosurgery, Cardiology, ENT, Hematology/ Oncology and Orthopaedics.

The existing MRIs have experienced by 20% since 2012, even with extended hours and days. The proposed equipment will be a Philips 3.0 and will be the third MRI dedicated to MCJCHV. This MRI will be located within the radiology suite on the first floor of MCJCHV adjacent to the two existing MRIs.

2) Ownership structure;

RESPONSE: Vanderbilt University Medical Center owns the Vanderbilt University Hospital, the Monroe Carell Jr. Children's Hospital at Vanderbilt, and Vanderbilt Psychiatric Hospital. These facilities operate under one hospital license as Vanderbilt University Medical Center (VUMC).

3) Service area;

RESPONSE: Approximately 77% of MCJCHV's MRI procedures in FY16 are from these counties: Bedford, Cannon, Cheatham, Clay, Coffee, Cumberland, Davidson, Dekalb, Fentress, Franklin, Giles, Grundy, Hickman, Houston, Humphreys, Jackson, Lawrence, Lewis, Lincoln, Macon, Marshall, Maury, Montgomery, Moore, Overton, Perry, Pickett, Putnam, Robertson, Rutherford, Smith, Stewart, Sumner, Trousdale, Van Buren, Warren, White, Williamson, and Wilson.

4) Existing similar service providers;

RESPONSE: MCJCHV is middle Tennessee's only comprehensive children's hospital and quaternary referral with the dedicated subspecialty care. There are no other dedicated pediatric MRI providers in the middle Tennessee service area.

5) Project cost;

RESPONSE: The cost of the project is $3,054,052.65.

6) Funding;

RESPONSE: The funding for this project will be cash reserves.

7) Financial Feasibility including when the proposal will realize a positive financial margin; and

RESPONSE: It is projected that this MRI will have a positive financial return within the first year of implementation.

8) Staffing.

RESPONSE: The resources required for this service are available at MCJCHV, including the highly trained physicians and staff. The addition of this MRI will include the addition of 2 MRI technicians, 1 Certified Registered Nurse Anesthetist (CRNA), and 1 Registered Nurse (RN).

B. Rationale for Approval

A certificate of need can only be granted when a project is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of adequate and effective health care in the service area. This section should provide rationale for each criterion using the data and information points provided in Section B. of this application. Please summarize in one page or less each of the criteria:

Need;

RESPONSE: With MCJCHV's existing MRI volume well over the total capacity of 3,600 procedures per machine (as well as the optimal capacity of 2,880 annual procedures standard) that the State Health Plan uses as a guideline for adding MRI capacity, the third dedicated pediatric MRI is needed. In addition, the MRI will continue to support the clinical growth of the nationally ranked pediatric hospital and will accommodate the growth of subspecialty programs available at MCJCHV.

1) Economic Feasibility;

RESPONSE: The project will be funded through cash reserves. In addition, it is projected that this MRI will have a positive financial return within the first year of implementation.

2) Appropriate Quality Standards; and

RESPONSE: **The project will be meet all applicable quality of care standards and it will be accredited American College of Radiology.**

3) Orderly Development to adequate and effective health care.

RESPONSE: **The project will contribute to the orderly development of adequate and effective pediatric health care. The addition of this MRI will continue to support the clinical growth MCJCHV and its' subspecialty programs.**

C. Consent Calendar Justification

If Consent Calendar is requested, please provide the rationale for an expedited review.

RESPONSE: **As described previously, VUMC owns the Vanderbilt University Hospital, the Monroe Carell Jr. Children's Hospital at Vanderbilt, and Vanderbilt Psychiatric Hospital; these facilities operate under one hospital license as Vanderbilt University Medical Center. MCJCHV is one of the nation's best children's hospitals by *U.S. News & World Report*. Children's Hospital is the only pediatric hospital in Tennessee receiving national rankings for 10 out of 10 of its pediatric specialty programs. In addition, MCJCHV is the only provider in the region that has dedicated pediatric MRIs. Based on MCJCHV's current volumes exceeding the total capacity of 3,600 procedures per machine and the technology advancements contributing to the enhanced image clarity in MRI, VUMC would greatly appreciate your including this item on the Consent Calendar. The project does not change number of licensed beds at VUMC.**

A request for Consent Calendar must be in the form of a written communication to the Agency's Executive Director at the time the application is filed.

4. SECTION A: PROJECT DETAILS

A. *Owner of the Facility, Agency or Institution*

Vanderbilt University Medical Center
Name

Phone Number

1121 Medical Center Drive
Street or Route

Davidson
County

Nashville
City

TN
State

37232
Zip Code

B. *Type of Ownership of Control (Check One)*

A.	Sole Proprietorship		F.	Government (State of TN or Political Subdivision)	
B.	Partnership		G.	Joint Venture	
C.	Limited Partnership		H.	Limited Liability Company	
D.	Corporation (For Profit)		I.	Other (Specify)_____	
E.	Corporation (Not-for-Profit)	X			

Attach a copy of the partnership agreement, or corporate charter and certificate of corporate existence. Please provide documentation of the active status of the entity from the Tennessee Secretary of State's web-site at https://tnbear.tn.gov/ECommerce/FilingSearch.aspx. **Attachment A.4A.**

Describe *the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member's percentage of ownership, for those members with 5% ownership (direct or indirect) interest.*

RESPONSE: **VUMC is a not-for-profit corporation organized under the laws of the State of Tennessee. VUMC has no members, is board governed, and is tax-exempt organization under section 501(c)3 of the Internal Revenue Code.**

5. *Name of Management/Operating Entity (If Applicable)*

Name

Street or Route

County

City

State

Zip Code

Website address:

For new facilities or existing facilities *without a current management agreement, attach a copy of a draft management agreement that at least includes the anticipated scope of management services to be provided, the anticipated term of the agreement, and the anticipated management fee payment methodology and schedule. For facilities with existing management agreements, attach a copy of the fully executed final contract.*

6A. *Legal Interest in the Site of the Institution (Check One)*

A.	Ownership	____	D.	Option to Lease	____
B.	Option to Purchase	____	E.	Other (Specify) _____	____
C.	Lease of 98 Years	X		_____	

Check appropriate line above: *For applicants or applicant's parent company/owner that currently own the building/land for the project location, attach a copy of the title/deed. For applicants or applicant's parent company/owner that currently lease the building/land for the project location, attach a copy of the fully executed lease agreement. For projects where the location of the project has not been secured, attach a fully executed document including Option to Purchase Agreement, Option to Lease Agreement, or other appropriate documentation. Option to Purchase Agreements* ***must include*** *anticipated purchase price. Lease/Option to Lease Agreements* ***must include*** *the actual/anticipated term of the agreement* ***and*** *actual/anticipated lease expense. The legal interests described herein* ***must be valid*** on the date of the Agency's consideration of the certificate of need application.

RESPONSE: **Please see Attachment A.6A.**

6B. Attach **a copy of the site's plot plan, floor plan, and if applicable, public transportation route to and from the site** on an 8 1/2" x 11" sheet of white paper, single or double-sided. ***DO NOT SUBMIT BLUEPRINTS***. Simple line drawings should be submitted and need not be drawn to scale.

1) Plot Plan **must include**:

   a. Size of site (***in acres***);

   b. Location of structure on the site;

   c. Location of the proposed construction/renovation; and

   d. Names of streets, roads or highway that cross or border the site.

2) Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. On an 8 ½ by 11 sheet of paper or as many as necessary to illustrate the floor plan.

3) Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

   RESPONSE: **VUMC is accessible from most major transportation routes including Highways I-65, I-440, and I-40. Public transportation access includes bus stops near the hospital on 21st Avenue South.**

   Attachment A.6B.1 and Attachment A.6B.2.

7. *Type of Institution* ***(Check as appropriate–more than one response may apply)***

A.	Hospital (Specify)_____	X	H	Nursing Home	____
B.	Ambulatory Surgical Treatment Center (ASTC), Multi-Specialty	____	I.	Outpatient Diagnostic Center	____
			J.	Rehabilitation Facility	____
C.	ASTC, Single Specialty	____	K.	Residential Hospice	____
D.	Home Health Agency	____	L.	Nonresidential Substitution-Based Treatment Center for Opiate Addiction	____
E.	Hospice	____			
F.	Mental Health Hospital	____		Other (Specify)_____	
G.	Intellectual Disability Institutional Habilitation Facility ICF/IID	____	M.	_____	____

Check appropriate lines(s).

8. Purpose of Review ***(Check appropriate lines(s) – more than one response may apply)***

A.	New Institution	____	F.	Change in Bed Complement [*Please note the type of change by underlining the appropriate response: Increase, Decrease, Designation, Distribution, Conversion, Relocation]*	____
B.	Modifying an ASTC with limitation still required per CON	____			
C.	Addition of MRI Unit	____			
D.	Pediatric MRI	X			
E.	Initiation of Health Care Service as defined in T.C.A. §68-11-1607(4) (Specify)_____	____		Satellite Emergency Dept.	
			G.	Change of Location	____
			H.	Other (Specify)_____	____
			I.	_____	____

9. Medicaid/TennCare, Medicare Participation

MCO Contracts [Check all that apply]

_X_AmeriGroup _X_United Healthcare Community Plan _X_BlueCare _X_TennCare Select

Medicare Provider Number 440039: Acute

Medicaid Provider Number 0440039: Acute

Certification Type Inpatient Facility

If a new facility, will certification be sought for Medicare and/or Medicaid/TennCare?

Medicare __Yes __No _X_N/A Medicaid/TennCare __Yes __No _X_N/A

10. Bed Complement Data

A. Please indicate current and proposed distribution and certification of facility beds.

	Current Licensed	Beds Staffed	Beds Proposed	*Beds Approved	**Beds Exempted	TOTAL Beds at Completion
1) Medical	257	250	-	61	-	318
2) Surgical	144	144	-	-	-	144
3) ICU/CCU (includes PICU)	261	261	-	28	-	289
4) Obstetrical	50	50	-	23	-	73
5) NICU	96	96	-	22	-	118
6) Pediatric	129	129	-	-	-	129
7) Adult Psychiatric	62	62	-	-	-	62
8) Geriatric Psychiatric	-	-	-	-	-	-
9) Child/Adolescent Psychiatric	26	26	-	-	-	26
10) Rehabilitation	-	-	-	-	-	-
11) Adult Chemical Dependency	-	-	-	-	-	-
12) Child/Adolescent Chemical Dependency	-	-	-	-	-	-
13) Long-Term Care Hospital	-	-	-	-	-	-
14) Swing Beds	-	-	-	-	-	-
15) Nursing Home – SNF (Medicare only)	-	-	-	-	-	-
16) Nursing Home – NF (Medicaid only)	-	-	-	-	-	-
17) Nursing Home – SNF/NF (dually certified Medicare/Medicaid)	-	-	-	-	-	-
18) Nursing Home – Licensed (non-certified)	-	-	-	-	-	-
19) ICF/IID	-	-	-	-	-	-
20) Residential Hospice	-	-	-	-	-	-
TOTAL	1,025	1,018	-	134	-	1,159

*Beds approved but not yet in service **Beds exempted under 10% per 3 year provision

B. Describe the reasons for change in bed allocations and describe the impact the bed change will have on the applicant facility's existing services.

RESPONSE: Not applicable.

C. Please identify all the applicant's outstanding Certificate of Need projects that have a licensed bed change component. If applicable, complete chart below.

CON Number(s)	CON Expiration Date	Total Licensed Beds Approved
CN710-075	March 1, 2018	1,051
CN1406-021	November 1, 2020	1,159
CN1602-010	June 1, 2019	1,159

11. **Home Health Care Organizations** – Home Health Agency, Hospice Agency (excluding Residential Hospice), identify the following by checking all that apply:

RESPONSE: **Not applicable.**

	Existing Licensed County	Parent Office County	Proposed Licensed County		Existing Licensed County	Parent Office County	Proposed Licensed County
Anderson	☐	☐	☐	Lauderdale	☐	☐	☐
Bedford	☐	☐	☐	Lawrence	☐	☐	☐
Benton	☐	☐	☐	Lewis	☐	☐	☐
Bledsoe	☐	☐	☐	Lincoln	☐	☐	☐
Blount	☐	☐	☐	Loudon	☐	☐	☐
Bradley	☐	☐	☐	McMinn	☐	☐	☐
Campbell	☐	☐	☐	McNairy	☐	☐	☐
Cannon	☐	☐	☐	Macon	☐	☐	☐
Carroll	☐	☐	☐	Madison	☐	☐	☐
Carter	☐	☐	☐	Marion	☐	☐	☐
Cheatham	☐	☐	☐	Marshall	☐	☐	☐
Chester	☐	☐	☐	Maury	☐	☐	☐
Claiborne	☐	☐	☐	Meigs	☐	☐	☐
Clay	☐	☐	☐	Monroe	☐	☐	☐
Cocke	☐	☐	☐	Montgomery	☐	☐	☐
Coffee	☐	☐	☐	Moore	☐	☐	☐
Crockett	☐	☐	☐	Morgan	☐	☐	☐
Cumberland	☐	☐	☐	Obion	☐	☐	☐
Davidson	☐	☐	☐	Overton	☐	☐	☐
Decatur	☐	☐	☐	Perry	☐	☐	☐
DeKalb	☐	☐	☐	Pickett	☐	☐	☐
Dickson	☐	☐	☐	Polk	☐	☐	☐
Dyer	☐	☐	☐	Putnam	☐	☐	☐
Fayette	☐	☐	☐	Rhea	☐	☐	☐
Fentress	☐	☐	☐	Roane	☐	☐	☐
Franklin	☐	☐	☐	Robertson	☐	☐	☐
Gibson	☐	☐	☐	Rutherford	☐	☐	☐
Giles	☐	☐	☐	Scott	☐	☐	☐
Grainger	☐	☐	☐	Sequatchie	☐	☐	☐
Greene	☐	☐	☐	Sevier	☐	☐	☐
Grundy	☐	☐	☐	Shelby	☐	☐	☐
Hamblen	☐	☐	☐	Smith	☐	☐	☐
Hamilton	☐	☐	☐	Stewart	☐	☐	☐
Hancock	☐	☐	☐	Sullivan	☐	☐	☐
Hardeman	☐	☐	☐	Sumner	☐	☐	☐
Hardin	☐	☐	☐	Tipton	☐	☐	☐
Hawkins	☐	☐	☐	Trousdale	☐	☐	☐
Haywood	☐	☐	☐	Unicoi	☐	☐	☐
Henderson	☐	☐	☐	Union	☐	☐	☐
Henry	☐	☐	☐	Van Buren	☐	☐	☐
Hickman	☐	☐	☐	Warren	☐	☐	☐
Houston	☐	☐	☐	Washington	☐	☐	☐
Humphreys	☐	☐	☐	Wayne	☐	☐	☐
Jackson	☐	☐	☐	Weakley	☐	☐	☐
Jefferson	☐	☐	☐	White	☐	☐	☐
Johnson	☐	☐	☐	Williamson	☐	☐	☐
Knox	☐	☐	☐	Wilson	☐	☐	☐
Lake	☐	☐	☐				

12. Square Footage and Cost Per Square Footage Chart – Not applicable.

Unit/Department	Existing Location	Existing SF	Temporary Location	Proposed Final Location	Proposed Final Square Footage		
					Renovated	New	Total
Unit/Department GSF Sub-Total							
Other GSF Total							
Total GSF							
*Total Cost							
**Cost Per Square Foot							
Cost per Square Foot Is Within Which Range *(For quartile ranges, please refer to the Applicant's Toolbox on www.tn.gov/hsda)*					☐ Below 1st Quartile ☐ Between 1st and 2nd Quartile ☐ Between 2nd and 3rd Quartile ☐ Above 3rd Quartile	☐ Below 1st Quartile ☐ Between 1st and 2nd Quartile ☐ Between 2nd and 3rd Quartile ☐ Above 3rd Quartile	☐ Below 1st Quartile ☐ Between 1st and 2nd Quartile ☐ Between 2nd and 3rd Quartile ☐ Above 3rd Quartile

* The Total Construction Cost should equal the Construction Cost reported on line A5 of the Project Cost Chart.

** Cost per Square Foot is the construction cost divided by the square feet. Please do not include contingency costs.

13. MRI, PET, and/or Linear Accelerator

1. Describe the acquisition of any Magnetic Resonance Imaging (MRI) scanner that is adding a MRI scanner in counties with population less than 250,000 or initiation of pediatric MRI in counties with population greater than 250,000 and/or

RESPONSE: This project is for the addition of a third dedicated pediatric MRI to be located on the campus of MCJCHV.

2. Describe the acquisition of any Positron Emission Tomographer (PET) or Linear Accelerator if initiating the service by responding to the following:

RESPONSE: Not applicable.

A. Complete the chart below for acquired equipment.

☐ Linear Accelerator	Mev _____ Types: ☐ SRS ☐ IMRT ☐ IGRT ☐ Other _____		
	Total Cost*: _____ ☐ New	☐ Refurbished	☐ By Purchase ☐ By Lease Expected Useful Life (yrs) ____ ☐ If not new, how old? (yrs) _____
■ MRI	Tesla: 3.0 Magnet: ☐ Breast ☐ Extremity ☐ Open ☐ Short Bore ☐ Other _____		
	Total Cost*: $2,396,312.40 ☐ New	☐ Refurbished	☐ By Purchase ■ By Lease Expected Useful Life (yrs) ____ ☐ If not new, how old? (yrs) _____
☐ PET	☐ PET only	☐ PET/CT	☐ PET/MRI
	Total Cost*: _____ ☐ New	☐ Refurbished	☐ By Purchase ☐ By Lease Expected Useful Life (yrs) ____ ☐ If not new, how old? (yrs) _____

* As defined by Agency Rule 0720-9-.01(13)

B. In the case of equipment purchase, include a quote and/or proposal from an equipment vendor. In the case of equipment lease, provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments along with the fair market value of the equipment.

RESPONSE: Please see Attachment A.13B.

C. Compare lease cost of the equipment to its fair market value. Note: Per Agency Rule, the higher cost must be identified in the project cost chart.

RESPONSE: The fair market value of the equipment is equal to the purchase price ($2,396,312.40), and the sum of the lease payments ($2,178,890.40) will be less than the purchase price.

D. Schedule of Operations:

RESPONSE: Please find the completed chart below. The schedule for the MRI will be consistent with the other MCJCHV MRI units. On call coverage is available as needed during non-scheduled hours.

Location	Days of Operation (*Sunday through Saturday*)	Hours of Operation (*example: 8 am – 3 pm*)
Fixed Site *(Applicant)*	**Monday-Friday** **Saturday-Sunday**	**6am-12am midnight** **7am-10pm**
Mobile Locations *(Applicant)*		
(Name of Other Location)		
(Name of Other Location)		

E. Identify the clinical applications to be provided that apply to the project.

RESPONSE: **The top MRI clinical applications are provided in the chart below.**

CPT Code	Description
70553	MRI Brain w & wo Contrast
70551	MRI Brain wo Contrast
72148	MRI Lumbar Sp wo Contrast
72141	MRI Cervical Sp wo Contrast
72146	MRI Thoracic Sp wo Contrast
70544	MRA Head wo Contrast
72157	MRI Thoracic Sp w & wo Contrast
72156	MRI Cervical Sp w & wo Contrast
72158	MRI Lumbar Sp w & wo Contrast
73721	MRI Lower Extremity wo Contrast

F. If the equipment has been approved by the FDA within the last five years provide documentation of the same.

RESPONSE: **Attachment A.13F.**

SECTION B: GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with T.C.A. § 68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of health care." Further standards for guidance are provided in the State Health Plan developed pursuant to
T.C.A. § 68-11-1625.

The following questions are listed according to the four criteria: (1) Need, (2) Economic Feasibility, (3) Applicable Quality Standards, and (4) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. *Please type each question and its response on an 8 1/2" x 11" white paper, single-sided or double sided*. All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer, unless specified otherwise. ***If a question does not apply to your project, indicate "Not Applicable (NA)."***

QUESTIONS

NEED

1. Provide a response to each criterion and standard in Certificate of Need Categories in the State Health Plan that are applicable to the proposed project. Criteria and standards can be obtained from the Tennessee Health Services and Development Agency or found on the Agency's website at http://www.tn.gov/hsda/article/hsda-criteria-and-standards.

RESPONSE: **The Magnetic Resonance Imaging criteria and standards are applicable to this application.**

1. Utilization Standards for non-Specialty MRI Units.
   a. An applicant proposing a new non-Specialty stationary MRI service should project a minimum of at least 2160 MRI procedures in the first year of service, building to a minimum of 2520 procedures per year by the second year of service, and building to a minimum of 2880 procedures per year by the third year of service and for every year thereafter.

      RESPONSE: **MCJCHV projects performing 2,131 MRI procedures in Year 1 and 2,818 MRI procedures in Year 2.**

   b. Providers proposing a new non-Specialty mobile MRI service should project a minimum of at least 360 mobile MRI procedures in the first year of service per day of operation per week, building to an annual minimum of 420 procedures per day of operation per week by the second year of service, and building to a minimum of 480 procedures per day of operation per week by the third year of service and for every year thereafter.

      RESPONSE: **Not applicable**

   c. An exception to the standard number of procedures may occur as new or improved technology and equipment or new diagnostic applications for MRI units are developed. An applicant must demonstrate that the proposed unit offers a unique and necessary technology for the provision of health care services in the Service Area.

      RESPONSE: **Not applicable**

d. Mobile MRI units shall not be subject to the need standard in paragraph 1 b if fewer than 150 days of service per year are provided at a given location. However, the applicant must demonstrate that existing services in the applicant's Service Area are not adequate and/or that there are special circumstances that require these additional services.

RESPONSE: Not applicable

e. Hybrid MRI Units. The HSDA may evaluate a CON application for an MRI "hybrid" Unit (an MRI Unit that is combined/utilized with another medical equipment such as a megavoltage radiation thera.py unit or a positron emission tomography unit) based on the primary purposes of the Unit.

RESPONSE: Not applicable

2. Access to MRI Units. All applicants for any proposed new MRI Unit should document that the proposed location is accessible to approximately 75% of the Service Area's population. Applications that include non-Tennessee counties in their proposed Service Areas should provide evidence of the number of existing MRI units that service the non-Tennessee counties and the impact on MRI unit utilization in the non-Tennessee counties, including the specific location of those units located in the non-Tennessee counties, their utilization rates , and their capacity (if that data are available).

RESPONSE: Approximately 77% pediatric MRI patients are derived from the primary service area. These patients seek care at MCJCHV as well as from other areas in Tennessee and surrounding states.

3. Economic Efficiencies. All applicants for any proposed new MRI Unit should document that alternate shared services and lower cost technology applications have been investigated and found less advantageous in terms of accessibility, availability, continuity, cost, and quality of care.

RESPONSE: Technology advancements contributing to the image clarity in MRI have allowed for sharper imaging of anatomy. New receivers (coils) have allowed for increased usage in the form of new body parts imaged. These two components have provided clinicians the ability to forego CT, Nuclear Medicine, and plain film x-ray (ionizing radiation) and utilize MRI in many incidences. This use of non-ionizing radiation is safer for the child. As a result, economic efficiencies will be gained through sharing existing MRI resources available at MCJCHV.

4. Need Standard for non-Specialty MRI Units.

A need likely exists for one additional non-Specialty MRI unit in a Service Area when the combined average utilization of existing MRI service providers is at or above 80% of the total capacity of 3600 procedures, or 2880 procedures, during the most recent twelve- month period reflected in the provider medical equipment report maintained by the HSDA. The total capacity per MRI unit is based upon the following formula:

Stationary MRJ Units: 1.20 procedures per hour x twelve hours per day x 5 days per week x 50 weeks per year= 3,600 procedures per year

Mobile MRI Units: Twelve (12) procedures per day x days per week in operation x 50 weeks per year. For each day of operation per week, the optimal efficiency is 480 procedures per year, or 80 percent of the total capacity of 600 procedures per year.

RESPONSE: Please find the chart below providing MRI utilization in the proposed service area from 2013-2015, the most recent data available from the Health Services and Development Agency, Medical Equipment Registry. This registry indicates that in 2015, the number of fixed and fixed (shared) MRIs available in middle Tennessee was 113.

However, of these reported, only those at MCJCHV are dedicated solely to the pediatric population. In FY16, the two MRIs at MCJCHV performed 8,530 procedures, or approximately 4,265 per MRI. Of these procedures, 79% were performed on pediatric patients ages 0-14; an additional 21% were performed on pediatric patients ages 15+. These two MRIs operate seven days per week and extended hours per day. As a result, the per machine utilization is well above the total capacity of 3600 per machine (as well as the 2,880 optimal) capacity guidelines in the State Health Plan. The new expansion and high demand for pediatric subspecialty care coupled with the consistent increase in MRI procedure volumes at MCJCHV high demand for MRI procedures will continue.

	2013			2014			2015		
County	Sum of Total Procedures	Sum of Number of	Procedures Per MRI in County	Sum of Total Procedures	Sum of Number of	Procedures Per MRI in County	Sum of Total Procedures	Sum of Number of	Procedures Per MRI in County
Bedford	1,131	1	1,131	1,148	1	1,148	1,199	1	1,199
Cannon	379	1	379	286	1	286	261	1	261
Coffee	4,785	3	1,595	4,593	3	1,531	4,225	3	1,408
Cumberland	4,708	2	2,354	4,994	2	2,497	6,646	2	3,323
Davidson	130,592	50	2,612	134,373	50	2,687	139,393	50	2,788
DeKalb	784	1	784	841	1	841	836	1	836
Dickson	4,068	3	1,356	4,731	3	1,577	5,286	3	1,762
Fentress	1,991	1	1,991	1,813	1	1,813	1,704	1	1,704
Franklin	2,843	2	1,422	2,561	2	1,281	2,634	2	1,317
Giles	810	1	810	790	1	790	840	1	840
Lawrence	1,441	1	1,441	1,450	1	1,450	1,413	1	1,413
Lincoln	1,182	1	1,182	989	1	989	1,162	1	1,162
Marshall	773	1	773	720	1	720	733	1	733
Maury	10,548	5	2,110	11,505	5	2,301	12,423	5	2,485
Montgomery	12,026	5	2,405	11,472	5	2,294	9,967	5	1,993
Overton	949	1	949	649	1	649	881	1	881
Putnam	14,166	5	2,833	15,102	5	3,020	15,259	5	3,052
Robertson	3,232	1	3,232	3,407	1	3,407	3,377	1	3,377
Rutherford	22,863	9	2,540	25,300	9	2,811	28,106	10	2,811
Smith	613	1	613	669	1	669	635	1	635
Sumner	9,970	5	1,994	10,200	5	2,040	10,018	5	2,004
Warren	2,323	1	2,323	2,268	1	2,268	1,171	1	1,171
White	961	1	961	1,124	1	1,124	1,291	1	1,291
Williamson	14,549	5	2,910	14,008	5	2,802	15,097	5	3,019
Wilson	7,772	5	1,554	8,073	5	1,615	7,920	5	1,584
Service Area Total	**255,459**	**112**	**2,281**	**263,066**	**112**	**2,349**	**272,477**	**113**	**2,411**

5. Need Standards for Specialty MRI Units.

RESPONSE: **Not applicable.**

a. Dedicated fixed or mobile Breast MRI Unit. An applicant proposing to acquire a dedicated fixed or mobile breast MRJ unit shall not receive a CON to use the MRJ unit for non-dedicated purposes and shall demonstrate that annual utilization of the proposed MRI unit in the third year of operation is projected to be at least I ,600 MRI procedures (.80 times the total capacity of I procedure per hour times 40 hours per week times 50 weeks per year), and that:

i. It has an existing and ongoing working relationship with a breast-imaging radiologist or radiology proactive group that has experience interpreting breast images provided by mammography, ultrasound, and MRJ unit equipment, and that is trained to interpret images produced by an MRJ unit configured exclusively for mammographic studies;

ii. Its existing mammography equipment, breast ultrasound equipment, and the proposed dedicated breast MRI unit are in compliance with the federal Mammography Quality Standards Act;

iii. It is part of or has a formal affiliation with an existing healthcare system that provides comprehensive cancer care, including radiation oncology, medical oncology, surgical oncology and an established breast cancer treatment program that is based in the proposed service area.

iv. It has an existing relationship with an established collaborative team for the treatment of breast cancer that includes radiologists, pathologists, radiation oncologists, hematologist/oncologists, surgeons, obstetricians/gynecologists, and primary care providers.

b. Extremity MRI Unit. An applicant proposing to institute a Dedicated fixed or mobile Extremity MRI Unit shall provide documentation of the total capacity of the proposed MRI Unit based on the number of days of operation each week, the number of days to be operated each year, the number of hours to be operated each day, and the average number of MRI procedures the unit is capable of performing each hour. The applicant shall then demonstrate that annual utilization of the proposed MRI Unit in the third year of operation is reasonably projected to be at least 80 per cent of the total capacity. Non-specialty MRI procedures shall not be performed on a Dedicated fixed or mobile Extremity MRI Unit and a CON granted for this use should so state on its face.

c. Dedicated fixed or mobile Multi-position MRI Unit. An applicant proposing to institute a Dedicated fixed or mobile Multi-position MRI Unit shall provide documentation of the total capacity of the proposed MRI Unit based on the number of days of operation each week, the number of days to be operated each year, the number of hours to be operated each day, and the average number of MRI procedures the unit is capable of performing each hour. The applicant shall then demonstrate that annual utilization of the proposed MRI Unit in the third year of operation is reasonably projected to be at least 80 per cent of the total capacity. Non-specialty MRI procedures shall not be performed on a Dedicated fixed or mobile Multi-position MRI Unit and a CON granted for this use should so state on its face.

6. Separate Inventories for specialty MRI Units and non-Specialty MRI Units.

If data availability permits, Breast, Extremity, and Multi-position MRI Units shall not be counted in the inventory of non-Specialty fixed or mobile MRI Units, and an inventory for each category of Specialty MRI Unit shall be counted and maintained separately. None of the Specialty MRI Units may be replaced with non-Specialty MRI fixed or mobile MRI Units and a Certificate of Need granted for any of these Specialty MRI Units shall have included on its face a statement to that effect. A non-Specialty fixed or mobile MRI Unit for which a CON is granted for Specialty MRI Unit purpose use-only shall be counted in the specific Specialty MRI Unit inventory and shall also have stated on the face of its Certificate of Need that it may not be used for non-Specialty MRI purposes.

RESPONSE: VUMC will report these data as requested by the Health Services and Development Agency.

7. Patient Safety and Quality of Care. The applicant shall provide evidence that any proposed MRI Unit is safe and effective for its proposed use.

a. The United States Food and Drug Administration (FDA) must certify the proposed MRI Unit for clinical use.

RESPONSE: Please see attached FDA Approval Letter. Attachment B.Need.1.Magnetic Resonance Imaging.7a

b. The applicant should demonstrate that the proposed MRI Procedures will be offered in a physical environment that conforms to applicable federal standards, manufacturer's specifications, and licensing agencies' requirements.

RESPONSE: **This MRI will be housed adjacent to the other two MRIs at MCJCHV. Consistent with their environment, this MRI will meet all federal standards, manufacturer's specifications and licensing agencies' requirements.**

c. The applicant should demonstrate how emergencies within the MRI Unit facility will be managed in conformity with accepted medical practice.

RESPONSE: **This MRI will be housed adjacent to the other two MRIs in the Imaging Department at MCJCHV. Should emergencies occur, these MRIs are in close proximity to the Emergency Department. Emergency personnel and equipment beyond that required for MRI suites are readily available. Medical emergency policies for the hospital are fully documented in institutional policy manuals and utilized in preliminary and ongoing training of professional staff.**

d. The applicant should establish protocols that assure that all MRI Procedures performed are medically necessary and will not unnecessarily duplicate other services.

RESPONSE: **Existing MRI service at MCJCHV utilizes protocol management on all MRI exams performed. All exams are approved by a pediatric radiologist.**

e. An applicant proposing to acquire any MRI Unit or institute any MRI service, including Dedicated Breast and Extremity MRI Units, shall demonstrate that it meets or is prepared to meet the staffing recommendations and requirements set forth by the American College of Radiology, including staff education and training programs.

RESPONSE: **MCJCHV, through VUMC, is an active participate in the American College of Radiology and follows its proposed staffing recommendations and requirements.**

f. All applicants shall commit to obtain accreditation from the Joint Commission, the American College of Radiology, or a comparable accreditation authority for MRI within two years following operation of the proposed MRI Unit.

RESPONSE: **All active MRIs at VUMC, including the two dedicated at MCJCHV, are accredited by the American College of Radiology. Please see Attachment B.Need.1.Magnetic Resonance Imaging.7.f. This MRI will also seek such accreditation at the appropriate time.**

g. All applicants should seek and document emergency transfer agreements with local area hospitals, as appropriate. An applicant's arrangements with its physician medical director must specify that said physician be an active member of the subject transfer agreement hospital medical staff.

RESPONSE: **Since the MRI will be hospital-based and in close proximity to the MCJCHV emergency department, this standard is not applicable and a transfer agreement is not needed.**

8. The applicant should provide assurances that it will submit data in a timely fashion as requested by the HSDA to maintain the HSDA Equipment Registry.

RESPONSE: **VUMC commits to submitting all requested data to the HSDA in a timely manner.**

9. In light of Rule 0720-11.01, which lists the factors concerning need on which an application may be evaluated, and Principle No.2 in the State Health Plan, "Every citizen should have reasonable access to health care," the HSDA may decide to give special consideration to an applicant:
    a. Who is offering the service in a medically underserved area as designated by the United States Health Resources and Services Administration;
    b. Who is a "safety net hospital" or a "children's hospital" as defined by the Bureau of TennCare Essential Access Hospital payment program; or
    c. Who provides a written commitment of intention to contract with at least one TennCare MCO and, if providing adult services, to pm1icipate in the Medicare program; or
    d. Who is proposing to use the MRI unit for patients that typically require longer preparation and scanning times (e.g., pediatric, special needs, sedated, and contrast agent use patients). The applicant shall provide in its application information supporting the additional time required per scan and the impact on the need standard.

RESPONSE: **MCJCHV is one of the nation's best children's hospitals and is the only children's hospital in Tennessee to be named a Leapfrog Top Hospital for 2016. Children and families seek subspecialty care at MCJCHV from Tennessee and surrounding states. Furthering the commitment to take care of the children seeking care at MCJCHV, 41% of the patients having a MRI procedure at MCJCHV are enrolled in TennCare. The addition of this MRI will continue to support the clinical growth of the pediatric hospital and will accommodate the growth of these subspecialty programs, including but not limited to Neurology/ Neurosurgery, Cardiology, ENT, Hematology/ Oncology and Orthopaedics.**

In addition, it is important to note that technology advancements have contributed to the image clarity in MRI have allowed for sharper imaging of anatomy. New receivers (coils) have allowed for increased usage in the form of new body parts imaged. These components have provided clinicians the ability to forego other imaging procedures and utilize MRI in many incidences. This use of non-ionizing radiation is also safer for the child.

CONTINUE, STANDARD APPLICATION

2. Describe the relationship of this project to the applicant facility's long-range development plans, if any, and how it relates to related previously approved projects of the applicant.

RESPONSE: **MCJCHV continues to experience significant growth in demand for pediatric inpatient and outpatient services. Children and families seek subspecialty care at MCJCHV from Tennessee and surrounding states. As a result, MCJCHV is expanding to meet these needs and has initiated construction on a four (4) story expansion of the hospital. The addition of this MRI will continue to support the clinical growth of the pediatric hospital and will accommodate the growth of these nationally ranked subspecialty programs.**

3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map for the Tennessee portion of the service area using the map on the following page, clearly marked to reflect the service area as it relates to meeting the requirements for CON criteria and standards that may apply to the project. Please include a discussion of the inclusion of counties in the border states, if applicable.

RESPONSE: **The service area for this project is comprised of the forty-one counties in middle Tennessee. This is reasonable given that approximately 77% of MCJCHV's MRI procedures in FY16 are from these counties.**

Please complete the following tables, if applicable:

Service Area Counties	Historical Utilization	% of total procedures	Projected Utilization	% of total procedures
BEDFORD	119	1%	158	1%
CANNON	39	0%	52	0%
CHEATHAM	105	1%	140	1%
CLAY	6	0%	8	0%
COFFEE	105	1%	140	1%
CUMBERLAND	46	1%	61	1%
DAVIDSON	1,638	19%	2,179	19%
DEKALB	68	1%	90	1%
DICKSON	87	1%	116	1%
FENTRESS	42	0%	56	0%
FRANKLIN	69	1%	92	1%
GILES	99	1%	132	1%
GRUNDY	12	0%	16	0%
HICKMAN	45	1%	60	1%
HOUSTON	22	0%	29	0%
HUMPHREYS	45	1%	60	1%
JACKSON	30	0%	40	0%
LAWRENCE	119	1%	158	1%
LEWIS	19	0%	25	0%
LINCOLN	78	1%	104	1%
MACON	49	1%	65	1%
MARSHALL	94	1%	125	1%
MAURY	341	4%	454	4%
MONTGOMERY	588	7%	782	7%
MOORE	3	0%	4	0%
OVERTON	35	0%	47	0%
PERRY	13	0%	17	0%
PICKETT	1	0%	1	0%
PUTNAM	165	2%	220	2%
ROBERTSON	218	3%	290	3%
RUTHERFORD	659	8%	877	8%
SMITH	39	0%	52	0%
STEWART	36	0%	48	0%
SUMNER	402	5%	535	5%
TROUSDALE	44	1%	59	1%
VAN BUREN	3	0%	4	0%
WARREN	189	2%	251	2%
WAYNE	58	1%	77	1%
WHITE	46	1%	61	1%
WILLIAMSON	463	5%	616	5%
WILSON	322	4%	428	4%
ALL OTHER	1,969	23%	2,620	23%
TOTAL	**8,530**	**100%**	**11,349**	**100%**

County Level Map

4. A. 1) Describe the demographics of the population to be served by the proposal.

RESPONSE: The demographics of the service area will be pediatric patients.

2) Using current and projected population data from the Department of Health, the most recent enrollee data from the Bureau of TennCare, and demographic information from the US Census Bureau, complete the following table and include data for each county in your proposed service area.

Projected Population Data: http://www.tn.gov/health/article/statistics-population

TennCare Enrollment Data: http://www.tn.gov/tenncare/topic/enrollment-data

Census Bureau Fact Finder: http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml

RESPONSE: Please see the completed chart.

Demographic Variable/Geographic Area	Department of Health/Health Statistics							Bureau of the Census				TennCare	
	Total Population- Current Year 2015	Total Population- Projected Year 2021	Total Population-% Change	*Target Population- Current Year	*Target Population- Project Year	*Target Population-% Change	Target Population Projected Year as % of Total	Median Age 2015	Median Household Income 2015	Person Below Poverty Level	Person Below Poverty Level as % of Total	TennCare Enrollees - January 2016	TennCare Enrollees as % of Total *(Jan. 2016 TennCare enrollees as % of 2015 Total Population)*
Bedford	47,185	54,178	15%	13,434	15,388	15%	28%	36.6	$ 47,941	7,727	16%	13,625	29%
Cannon	13,844	14,916	8%	3,191	3,229	1%	22%	41.9	$ 50,941	2,500	18%	3,321	24%
Cheatham	39,741	41,888	5%	9,991	10,083	1%	24%	39.8	$ 62,737	5,396	14%	8,024	20%
Clay	7,779	7,873	1%	1,672	1,683	1%	21%	46.9	$ 36,948	1,801	23%	2,304	30%
Coffee	54,282	58,331	7%	14,219	14,966	5%	26%	39.7	$ 49,779	9,818	18%	14,444	27%
Cumberland	58,237	66,447	14%	11,494	12,139	6%	18%	49.7	$ 44,717	9,300	16%	13,495	23%
Davidson	678,888	722,665	6%	163,148	194,993	20%	27%	34.2	$ 60,398	116,031	17%	155,222	23%
DeKalb	19,190	20,342	6%	4,626	4,867	5%	24%	41	$ 44,993	3,887	20%	5,565	29%
Dickson	51,483	56,809	10%	13,159	14,570	11%	26%	39.9	$ 52,779	8,116	16%	11,644	23%
Fentress	17,915	19,407	8%	4,275	4,361	2%	22%	44.2	$ 37,198	4,577	26%	6,424	36%
Franklin	41,440	42,792	3%	9,991	9,395	-6%	22%	41.5	$ 51,166	6,669	16%	8,472	20%
Giles	28,929	29,828	3%	6,738	6,783	1%	23%	42.9	$ 49,734	4,627	16%	6,871	24%
Grundy	13,433	13,216	-2%	3,183	2,995	-6%	23%	42.6	$ 35,316	3,797	28%	4,906	37%
Hickman	24,370	27,611	13%	5,793	6,075	5%	22%	40.7	$ 45,587	4,738	19%	6,591	27%
Houston	8,164	9,229	13%	1,931	2,217	15%	24%	43.2	$ 47,072	1,860	23%	2,152	26%
Humphreys	18,134	19,226	6%	4,301	4,502	5%	23%	42.2	$ 54,650	2,856	16%	4,597	25%
Jackson	11,492	12,429	8%	2,380	2,370	0%	19%	45.8	$ 39,040	3,034	26%	3,067	27%
Lawrence	42,572	44,003	3%	11,527	11,428	-1%	26%	39.9	$ 47,202	8,443	20%	11,317	27%
Lewis	11,847	13,141	11%	2,823	3,055	8%	23%	43.5	$ 44,126	2,292	19%	3,111	26%
Lincoln	33,757	35,649	6%	8,236	8,648	5%	24%	42.9	$ 47,790	5,517	16%	8,006	24%
Macon	23,176	24,380	5%	6,222	6,157	-1%	25%	39.6	$ 42,629	4,218	18%	7,270	31%
Marshall	31,551	35,030	11%	8,126	8,817	9%	25%	39.4	$ 51,208	4,986	16%	7,168	23%
Maury	87,772	94,062	7%	22,356	24,223	8%	26%	38.6	$ 58,844	12,667	14%	19,753	23%
Montgomery	193,479	226,593	17%	56,758	73,008	29%	32%	30.3	$ 57,572	28,750	15%	37,547	19%
Moore	6,313	7,113	13%	1,402	1,502	7%	21%	45.5	$ 58,217	668	11%	880	14%
Overton	22,129	24,481	11%	5,355	5,755	7%	24%	42.2	$ 43,803	4,668	21%	5,456	25%
Perry	7,930	8,506	7%	1,897	1,934	2%	23%	43.7	$ 39,908	1,995	25%	2,217	28%
Pickett	5,132	5,269	3%	1,061	938	-12%	18%	49.4	$ 44,755	808	16%	1,201	23%
Putnam	74,555	85,086	14%	18,600	20,946	13%	25%	36.1	$ 48,106	17,830	24%	18,237	24%
Robertson	68,564	79,863	16%	18,521	21,551	16%	27%	38.6	$ 60,448	8,005	12%	14,509	21%
Rutherford	298,606	367,508	23%	83,644	103,451	24%	28%	32.9	$ 67,516	34,475	12%	53,348	18%
Smith	19,288	20,977	9%	4,931	5,040	2%	24%	41.6	$ 54,916	3,066	16%	4,693	24%
Stewart	13,262	14,494	9%	3,076	3,183	3%	22%	43.2	$ 52,695	2,560	19%	3,287	25%
Sumner	175,987	193,113	10%	46,340	49,649	7%	26%	39.4	$ 67,414	15,644	9%	31,569	18%
Trousdale	8,035	8,824	10%	2,027	2,144	6%	24%	40.2	$ 54,523	1,345	17%	2,184	27%
Van Buren	5,636	5,690	1%	1,204	1,119	-7%	20%	45.8	$ 45,212	988	18%	1,427	25%
Warren	40,444	41,578	3%	10,449	10,710	2%	26%	39.7	$ 47,001	8,329	21%	11,993	30%
Wayne	16,741	17,700	6%	3,309	3,370	2%	19%	42.2	$ 41,789	3,211	19%	3,564	21%
White	26,523	28,782	9%	6,393	6,468	1%	22%	42.5	$ 43,223	5,011	19%	7,630	29%
Williamson	211,674	239,411	13%	64,183	66,015	3%	28%	38.9	$ 108,990	10,054	5%	13,332	6%
Wilson	128,910	140,892	9%	33,788	35,191	4%	25%	40.1	$ 69,926	12,132	9%	20,457	16%
Service Area Total	2,688,389	2,979,332	11%	695,754	784,918	13%	26%	41.2	$ 51,434	394,396	15%	560,880	21%
State of TN Total	6,600,211	7,179,512	9%	1,660,923	1,816,297	9%	25%	38.4	$ 45,219	1,117,594	17%	1,559,209	24%

** Target Population is population that project will primarily serve. For example, nursing home, home health agency, hospice agency projects typically primarily serve the Age 65+ population; projects for child and adolescent psychiatric services will serve the Population Ages 0-19. Projected Year is defined in select service-specific criteria and standards. If Projected Year is not defined, default should be four years from current year, e.g., if Current Year is 2016, then default Projected Year is 2020.*

B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

RESPONSE: **The special needs of the population are pediatric patients, including racial and ethnic minorities as well as low income patients.**

5. Describe the existing and approved but unimplemented services of similar healthcare providers in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. List each provider and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: Admissions or discharges, patient days, average length of stay, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc. This doesn't apply to projects that are solely relocating a service.

RESPONSE: **There are no other existing or approved but unimplemented pediatric specific MRI projects in the service area. The most recent three years of MRI utilization for MCJCHV is provided below.**

FY14 7,759
FY15 8,202
FY16 8,530

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three years and the projected annual utilization for each of the two years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

MCJCHV has two existing dedicated pediatric MRIs with very high utilization. In FY16, these MRIs performed 8,530 procedures, or approximately 4,265 per MRI. As evident from this chart, the demand for MRI volumes at MCJCHV continues to exceed capacity guidelines outlined in the State Health Plan. The chart provided below demonstrates the MRI volumes for the last three years as well as the two years after the projection completion.

	FY14	FY15	FY16	Y1	Y2
Total Procedures	7,759	8,202	8,530	10,661	11,349
Procedures per MRI Unit	3,880	4,101	4,265	3,554	3,783
MRI Units at MCJCHV	2	2	2	3	3

The demand projections for the additional MRI were calculated based off historical data as well as projections from a recent analysis provided by Sg2, a national leader in providing data-driven provider of health care information for hospitals and health care systems. These projections anticipate the pediatric MRI growth rate by subspecialty service line over the next five years at approximately 3%. As a result of this growth rate coupled with the growth of subspecialties at MCJCHV, MCJCHV believes these are reasonably conservative projections.

ECONOMIC FEASIBILITY

1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.

   A. All projects should have a project cost of at least $15,000 (the minimum CON Filing Fee). (See Application Instructions for Filing Fee)

   B. The cost of any lease (building, land, and/or equipment) should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note: This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, the "per click" rate and the term of the lease.

   C. The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.

   D. Complete the Square Footage Chart on page 8 and provide the documentation. Please note the Total Construction Cost reported on line 5 of the Project Cost Chart should equal the Total Construction Cost reported on the Square Footage Chart.

   E. For projects that include new construction, modification, and/or renovation—**documentation must be** provided from a licensed architect or construction professional that support the estimated construction costs. Provide a letter that includes the following:

      1) A general description of the project;

      2) An estimate of the cost to construct the project;

      3) A description of the status of the site's suitability for the proposed project; and

      4) Attesting the physical environment will conform to applicable federal standards, manufacturer's specifications and licensing agencies' requirements including the AIA Guidelines for Design and Construction of Hospital and Health Care Facilities in current use by the licensing authority.

PROJECT COST CHART

A.	Construction and equipment acquired by purchase:		
	1.	Architectural and Engineering Fees	-
	2.	Legal, Administrative (Excluding CON Filing Fee), Consultant Fees	$10,000.00
	3.	Acquisition of Site	-
	4.	Preparation of Site	-
	5.	Total Construction Costs	-
	6.	Contingency Fund	-
	7.	Fixed Equipment (Not included in Construction Contract)	-
	8.	Moveable Equipment (List all equipment over $50,000 as separate attachments)	-
	9.	Other (Specify) _____	-
B.	Acquisition by gift, donation, or lease:		
	1.	Facility (inclusive of building and land)	-
	2.	Building only	-
	3.	Land only	-
	4.	Equipment (Specify) MRI	$2,396,312.40
	5.	Other (Specify) 48-Month Service Contract	$ 630,279.84
C.	Financing Costs and Fees:		
	1.	Interim Financing	-
	2.	Underwriting Costs	-
	3.	Reserve for One Year's Debt Service	-
	4.	Other (Specify) _____	-
D.	Estimated Project Cost (A+B+C)		**$3,036,592.24**
E.	CON Filing Fee		$ 17,460.41
F.	Total Estimated Project Cost (D+E)	**TOTAL**	**$3,054,052.65**

2. Identify the funding sources for this project.

Check the applicable item(s) below and briefly summarize how the project will be financed. ***(Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment C, Economic Feasibility-2.)***

___ A. Commercial loan – Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;

___ B. Tax-exempt bonds – Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;

___ C. General obligation bonds – Copy of resolution from issuing authority or minutes from the appropriate meeting;

___ D. Grants – Notification of intent form for grant application or notice of grant award;

X E. Cash Reserves – Appropriate documentation from Chief Financial Officer of the organization providing the funding for the project and audited financial statements of the organization; and/or

___ F. Other – Identify and document funding from all other sources.

3. Complete Historical Data Charts on the following two pages—***Do not modify the Charts provided or submit Chart substitutions!***

Historical Data Chart represents revenue and expense information for the last *three (3)* years for which complete data is available. Provide a Chart for the total facility and Chart just for the services being presented in the proposed project, if applicable. **Only complete one chart if it suffices.**

Note that "Management Fees to Affiliates" should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. "Management Fees to Non-Affiliates" should include any management fees paid by agreement to third party entities not having common ownership with the applicant.

X Total Facility
□ Project Only

HISTORICAL DATA CHART

Give information for the last *three (3)* years for which complete data are available for the facility or agency. The fiscal year begins in July (Month).

		Year FY14	Year FY15	Year FY16
A.	Utilization Data (Specify unit of measure, e.g., 1,000 patient days, 500 visits) **MRI procedures**	29,555	30,403	31,180
B.	Revenue from Services to Patients			
1.	Inpatient Services	$27,215,795	$26,794,830	$32,152,124
2.	Outpatient Services	78,895,667	76,804,996	95,615,988
3.	Emergency Services			
4.	Other Operating Revenue (Specify)_____			
	Gross Operating Revenue	$106,111,462	$103,599,826	$127,768,112
C.	Deductions from Gross Operating Revenue			
1.	Contractual Adjustments	$88,620,485	$86,554,332	$106,620,171
2.	Provision for Charity Care	4,695,000	4,585,536	5,648,601
3.	Provisions for Bad Debt	961,627	939,208	1,156,942
	Total Deductions	$ 94,277,112	$92,079,076	$113,425,714
NET OPERATING REVENUE		$ 11,834,350	$11,520,749	$14,342,398
D.	Operating Expenses			
1.	Salaries and Wages			
a.	Direct Patient Care	$2,316,305	$2,430,863	$2,807,336
b.	Non-Patient Care			
2.	Physician's Salaries and Wages			
3.	Supplies	331,819	376,959	510,640
4.	Rent			
a.	Paid to Affiliates			
b.	Paid to Non-Affiliates			
5.	Management Fees:			
a.	Paid to Affiliates			
b.	Paid to Non-Affiliates			
6.	Other Operating Expenses	826,763	819,940	819,940
	Total Operating Expenses	$3,474,887	$ 3,627,762	$ 4,137,916
E.	Earnings Before Interest, Taxes and Depreciation	$ 8,359,463	$7,892,987	$10,204,482
F.	Non-Operating Expenses			
1.	Taxes			
2.	Depreciation			
3.	Interest			
4.	Other Non-Operating Expenses			

Total Non-Operating Expenses	$-	$-	$-
NET INCOME (LOSS)	$ 8,359,463	$7,892,987	$10,204,482

Chart Continues Onto Next Page

NET INCOME (LOSS)	$ 8,359,463	$7,892,987	$10,204,482
G. Other Deductions			
1. Annual Principal Debt Repayment			
2. Annual Capital Expenditure			
Total Other Deductions			
NET BALANCE			
DEPRECIATION			
FREE CASH FLOW (Net Balance + Depreciation)	$ 8,359,463	$7,892,987	$10,204,482

X Total Facility
□ Project Only

HISTORICAL DATA CHART-OTHER EXPENSES

OTHER EXPENSES CATEGORIES	Year FY14	Year FY15	Year FY16
1. Professional Services Contract	$-	$-	$-
2. Contract Labor	$-	$-	$-
3. Imaging Interpretation Fees	$-	$-	$-
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
7. _____	_____	_____	_____
Total Other Expenses	$-	$-	$-

4. Complete Projected Data Charts on the following two pages – ***Do not modify the Charts provided or submit Chart substitutions!***

The Projected Data Chart requests information for the two years following the completion of the proposed services that apply to the project. Please complete two Projected Data Charts. One Projected Data Chart should reflect revenue and expense projections for the ***Proposal Only*** (*i.e.*, if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility). The second Chart should reflect information for the total facility. **Only complete one chart if it suffices.**

Note that "Management Fees to Affiliates" should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. "Management Fees to Non-Affiliates" should include any management fees paid by agreement to third party entities not having common ownership with the applicant.

PROJECTED DATA CHART

□ Total Facility
X Project Only

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in _____ (Month).

		Year FY19	Year FY20
A.	Utilization Data (Specify unit of measure, e.g., 1,000 patient days, 500 visits) MRI procedures	**2,131**	**2,818**
B.	Revenue from Services to Patients		
	1. Inpatient Services	$402,687	$406,714
	2. Outpatient Services	$9,064,965	$12,128,298
	3. Emergency Services		
	4. Other Operating Revenue (Specify)_____		
	Gross Operating Revenue	$9,467,652	$12,535,012
C.	Deductions from Gross Operating Revenue		
	1. Contractual Adjustments	$7,840,416	$10,332,662
	2. Provision for Charity Care	124,745	164,398
	3. Provisions for Bad Debt	10,847	14,295
	Total Deductions	$7,976,008	$10,511,355
NET OPERATING REVENUE		$1,491,644	$2,023,657
D.	Operating Expenses		
	1. Salaries and Wages		
	a. Direct Patient Care	$441,072	$452,539
	b. Non-Patient Care		
	2. Physician's Salaries and Wages		
	3. Supplies	$17,384	$23,916
	4. Rent		
	a. Paid to Affiliates		
	b. Paid to Non-Affiliates		
	5. Management Fees:		
	a. Paid to Affiliates		
	b. Paid to Non-Affiliates		
	6. Other Operating Expenses	$611,348	$611,348
	Total Operating Expenses	$1,069,804	$1,087,803
E.	**Earnings Before Interest, Taxes and Depreciation**	$421,840	$935,854
F.	Non-Operating Expenses		
	1. Taxes		
	2. Depreciation		
	3. Interest		
	4. Other Non-Operating Expenses		
	Total Non-Operating Expenses	$0	$0
NET INCOME (LOSS)		$421,840	$935,854

Chart Continues Onto Next Page

NET INCOME (LOSS)	$421,840	$935,854

G. Other Deductions

1. Estimated Annual Principal Debt Repayment

2. Annual Capital Expenditure

Total Other Deductions	$0	$0
NET BALANCE		
DEPRECIATION	$0	
FREE CASH FLOW (Net Balance + Depreciation)	$421,840	$935,854

□ Total Facility
X Project Only

PROJECTED DATA CHART-OTHER EXPENSES

OTHER EXPENSES CATEGORIES	**Year FY19**	**Year FY20**
1. Professional Services Contract	$-	$-
2. Contract Labor	$-	$-
3. Imaging Interpretation Fees	$-	$-
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____
7. _____	_____	_____
Total Other Expenses	$-	$-

5. A. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge using information from the Projected Data Chart for Year 1 and Year 2 of the proposed project. Please complete the following table.

	Previous Year	Current Year	Year One	Year Two	% Change (Current Year to Year 2)
Gross Charge *(Gross Operating Revenue/Utilization Data)*	$4,429	$4,436	$4,443	$4,448	.3%
Deduction from Revenue *(Total Deductions/Utilization Data)*	$3,769	$3,756	$3,743	$3,730	-.7%
Average Net Charge *(Net Operating Revenue/Utilization Data)*	$660	$680	$700	$718	5.6%

B. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

RESPONSE: **The proposed project will not impact current charges.**

C. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

RESPONSE: **Please find the chart below comparing the MRI gross charges by hospitals in the service area. The source is the Health Services and Development Agency, Medical Equipment Registry, CY15.**

County	Hospital	Total Procedures	Total Gross Charges	Average Charge Per Procedure
Bedford	Tennova Healthcare - Shelbyville	1,199	$ 6,629,021	$ 5,529
Cannon	St. Thomas Stones River Hospital	261	$ 592,667	$ 2,271
Coffee	Tennova Healthcare - Harton	2,354	$ 8,086,071	$ 3,435
Coffee	Unity Medical Center	1,871	$ 3,324,348	$ 1,777
Cumberland	Cumberland Medical Center, Inc.	6,646	$ 19,876,032	$ 2,991
Davidson	Nashville General Hospital	1,398	$ 4,702,796	$ 3,364
Davidson	St. Thomas Midtown Hospital	2,825	$ 11,965,107	$ 4,235
Davidson	St. Thomas West Hospital	4,944	$ 21,109,039	$ 4,270
Davidson	TriStar Centennial Medical Center	9,729	$ 58,221,986	$ 5,984
Davidson	TriStar Skyline Medical Center	8,097	$ 51,584,743	$ 6,371
Davidson	TriStar Southern Hills Medical Center	2,771	$ 13,044,859	$ 4,708
Davidson	TriStar Summit Medical Center	4,363	$ 25,611,976	$ 5,870
Davidson	Vanderbilt University Hospital	30,164	$ 113,202,990	$ 3,753
DeKalb	St. Thomas DeKalb Hospital	836	$ 1,960,616	$ 2,345
Dickson	TriStar Horizon Medical Center	1,678	$ 10,321,147	$ 6,151
Franklin	Southern Tennessee Regional Health System - Winchester	2,123	$ 8,097,334	$ 3,814
Giles	Southern Tennessee Regional Health System - Pulaski	840	$ 2,940,485	$ 3,501
Lawrence	Southern Tennessee Regional Health System - Lawrenceburg	1,413	$ 5,566,536	$ 3,940
Lincoln	Lincoln Medical Center	1,162	$ 2,253,283	$ 1,939
Marshall	Marshall Medical Center	733	$ 1,775,996	$ 2,423
Maury	Maury Regional Medical Center	6,855	$ 18,763,435	$ 2,737
Montgomery	Tennova Healthcare - Clarksville	4,637	$ 27,635,090	$ 5,960
Overton	Livingston Regional Hospital	881	$ 3,500,846	$ 3,974
Putnam	Cookeville Regional Medical Center	9,630	$ 16,337,309	$ 1,697
Robertson	Northcrest Medical Center	3,377	$ 6,834,466	$ 2,024
Rutherford	St. Thomas Rutherford Hospital	2,572	$ 11,228,185	$ 4,366
Rutherford	TriStar Stonecrest Medical Center	2,896	$ 9,701,068	$ 3,350
Smith	Riverview Regional Medical Center	635	$ 2,541,857	$ 4,003
Sumner	Sumner Regional Medical Center	2,795	$ 12,309,470	$ 4,404
Sumner	TriStar Hendersonville Medical Center	2,939	$ 18,595,536	$ 6,327
Warren	St. Thomas River Park Hospital	1,171	$ 4,016,747	$ 3,430
White	St. Thomas Highlands Hospital	1,291	$ 2,881,799	$ 2,232
Williamson	Williamson Medical Center	4,740	$ 12,271,520	$ 2,589
Wilson	Tennova Healthcare - Lebanon	2,242	$ 13,634,514	$ 6,081
	Service Area	132,068	531,118,873	$ 4,022

Source: Health Services and Development Agency, Medical Equipment Registry, CY15

6. A. Discuss how projected utilization rates will be sufficient to support the financial performance. Indicate when the project's financial breakeven is expected and demonstrate the availability of sufficient cash flow until financial viability is achieved. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For all projects, provide financial information for the corporation, partnership, or principal parties that will be a source of funding for the project. Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment C, Economic Feasibility. NOTE: Publicly held entities only need to reference their SEC filings.

RESPONSE: In March of 2015 VU formed a new 501(c)3. This new 501(c)3 adopted the name Vanderbilt University Medical Center (VUMC). On 04/29/16, the new 501(c)3 acquired the clinical assets, operations and related research of the Medical Center from Vanderbilt University (VU) and began operations as VUMC on 04/30/16. The VUMC financial statements contained within represent a 2 month year to date statement of operations, cash flow and statement of changes in net assets; the activity represents year to date activity from the date of the transaction. The statements also include an audited balance sheet and related footnotes as of 06/30/16. PricewaterhouseCoopers (PWC) audited our opening and our year-end balance sheets. However, due to the fact that VUMC was only in operation for 2 months of fiscal year 2016 we were only required under our debt agreements to perform an opening and year-end balance sheet audit. As a

result, the only audited information within the VUMC financial statements attached is the fiscal year 2016 balance sheet and related footnotes. As previously discussed, prior to the acquisition date the medical center operated as a division of VU. The performance through 04/29/16 and related assets and liabilities of the medical center were audited as a division of VU. We are also providing the audited VU statements, which contain the first 10 months of activity prior the transaction. Please see Attachment C.Economic Feasibility.6

B. Net Operating Margin Ratio – Demonstrates how much revenue is left over after all the variable or operating costs have been paid. The formula for this ratio is: (Earnings before interest, Taxes, and Depreciation/Net Operating Revenue).

Utilizing information from the Historical and Projected Data Charts please report the net operating margin ratio trends in the following table:

Year	2nd Year previous to Current Year	1st Year previous to Current Year	Current Year	Projected Year 1	Projected Year 2
Net Operating Margin Ratio	70.6%	68.5%	71.1%	28.3%	46.2%

C. Capitalization Ratio (Long-term debt to capitalization) – Measures the proportion of debt financing in a business's permanent (Long-term) financing mix. This ratio best measures a business's true capital structure because it is not affected by short-term financing decisions. The formula for this ratio is: (Long-term debt/(Long-term debt/Total Equity (Net assets)) x 100).

For the entity (applicant and/or parent company) that is funding the proposed project please provide the capitalization ratio using the most recent year available from the funding entity's audited balance sheet, if applicable. The Capitalization Ratios are not expected from outside the company lenders that provide funding.

RESPONSE: Please find Capitalization Ratio provided below for June 30, 2016 ($ in thousands).

Long Term Debt (1)	**$1,191,897**
Unrestricted Net Assets	**$ 509,421**
Total Capitalization	**$ 1,701,318**

Ratio of Long-Term Debt to Capitalization (%) 70.1%

(1) Total outstanding long term debt, including current maturities, excluding the Subordinate Promissory Note from VU.

7. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid and medically indigent patients will be served by the project. Additionally, report the estimated gross operating revenue dollar amount and percentage of projected gross operating revenue anticipated by payor classification for the first year of the project by completing the table below.

RESPONSE: MCJCHV participants in TennCare as evident of completed chart below.

Applicant's Projected Payor Mix, Year 1

Payor Source	Projected Gross Operating Revenue	As a % of total
Medicare/Medicare Managed Care	$ 94,677	1%
TennCare/Medicaid	$ 3,881,737	41%
Commercial/Other Managed Care	$ 4,828,503	51%
Self-Pay	$ 94,677	1%
Charity Care	$	-
Other (Specify) Tricare	$ 568,058	6%
Total	$ 9,467,652	100%

8. Provide the projected staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTEs) positions for these positions. Additionally, please identify projected salary amounts by position classifications and compare the clinical staff salaries to prevailing wage patterns in the proposed service area as published by the Department of Labor & Workforce Development and/or other documented sources.

RESPONSE: Please see the completed chart below.

Position Classification	Existing FTEs (enter year)	Projected FTEs Year 1	Average Wage (Contractual Rate)	Area Wide/Statewide Average Wage
A. Direct Patient Care Positions				
MRI Technologist	9.44	11.44	$34.99/hr.	$ 49,636
CRNA	2.0	3.0	$200,000/yr.	$143,922
Registered Nurse	6.61	7.61	$32.00/hr.	$56,838
Total Direct Patient Care Positions	18.05	22.05		
B. Non-Patient Care Positions				
Position 1				
Position 2				
Position "etc."				
Total Non-Patient Care Positions	0	0		
Total Employees *(A+B)*	18.05	22.05		
C. Contractual Staff				
Total Staff *(A+B+C)*	18.05	22.05		

9. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:

RESPONSE: No alternatives to this project were considered.

A. Discuss the availability of less costly, more effective and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, justify why not, including reasons as to why they were rejected.

B. Document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements.

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (i.e., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, that may directly or indirectly apply to the project, such as, transfer agreements, contractual agreements for health services.

RESPONSE: Please see Attachment Contribution to the Orderly Development of Healthcare.1

2. Describe the effects of competition and/or duplication of the proposal on the health care system, including the impact to consumers and existing providers in the service area. Discuss any instances of competition and/or duplication arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

A. Positive Effects

RESPONSE: This project allows the children and families seeking care at MCJCHV to receive their MRI scans in a timely manner. As described earlier, technology advancements have contributed to the image clarity in MRI thus allowing for

a sharper imaging of anatomy. New receivers (coils) have allowed for increased usage in the form of new body parts imaged. These two components have provided clinicians the ability to forego CT, Nuclear Medicine, and plain film x-ray (ionizing radiation) and utilize MRI in many incidences. This use of non-ionizing radiation is safer for the child.

B. Negative Effects

RESPONSE: There are no negative effects of this project.

3. A. Discuss the availability of and accessibility to human resources required by the proposal, including clinical leadership and adequate professional staff, as per the State of Tennessee licensing requirements and/or requirements of accrediting agencies, such as the Joint Commission and Commission on Accreditation of Rehabilitation Facilities.

RESPONSE: VUMC will staff the project. VUMC provides a dynamic recruitment and retention program for employees. As one of the largest employers, VUMC actively searches for the most appropriate candidates and seeks to place them in career successful positions.

B. Verify that the applicant has reviewed and understands all licensing and/or certification as required by the State of Tennessee and/or accrediting agencies such as the Joint Commission for medical/clinical staff. These include, without limitation, regulations concerning clinical leadership, physician supervision, quality assurance policies and programs, utilization review policies and programs, record keeping, clinical staffing requirements, and staff education.

RESPONSE: Vanderbilt University Medical Center will be responsible for credentialing, quality assurance, and staff education.

Credentialing

The Provider Support Services department credentials all providers that will admit patients to VUMC or attend to patients at VUMC and its satellite locations. Documents are verified from the primary source and include medical or professional licenses, DEA status (if applicable), malpractice insurance and claims history, appropriate schooling, board certification and faculty status. Once all documents have been verified, they are presented to the Credentials Committee for review and recommendation to the Medical Center Medical Board. The Medical Center Medical Board then recommends approval to the Board of Trust, which makes the final decision.

Quality Assurance

VUMC's Strategic Quality Plan reflects the mission to achieve the best outcomes by providing the highest quality and safest care for every patient, every time through the committed efforts of every Vanderbilt team member. We will pursue delivery of care that is safe, patient centered, effective, efficient, timely and equitable.

Staff Education

VUMC devotes a variety of resources to the development of staff at all levels of the organization. VUMC's Learning Center provides comprehensive orientation and role specific training to help new staff become successful in their jobs.

C. Discuss the applicant's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

RESPONSE: VUMC is a major clinical training facility and supports 400 medical students, 800 nursing students, and 700 Ph.D. students training in 100 different Vanderbilt-affiliated training programs.

4. Identify the type of licensure and certification requirements applicable and verify the applicant has reviewed and understands them. Discuss any additional requirements, if applicable. Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Licensure: **State of Tennessee, Department of Health Facilities, Licensure Division**

Certification Type (e.g. Medicare SNF, Medicare LTAC, etc.): **Hospital**

Accreditation (i.e., Joint Commission, CARF, etc.): **Joint Commission**

A. If an existing institution, describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility and accreditation designation.

RESPONSE: Please see Attachment Contribution to the Orderly Development of Healthcare.4A.

B. For existing providers, please provide a copy of the most recent statement of deficiencies/plan of correction and document that all deficiencies/findings have been corrected by providing a letter from the appropriate agency.

RESPONSE: Please see Attachment Contribution to the Orderly Development of Healthcare.4B.

C. Document and explain inspections within the last three survey cycles which have resulted in any of the following state, federal, or accrediting body actions: suspension of admissions, civil monetary penalties, notice of 23-day or 90-day termination proceedings from Medicare/Medicaid/TennCare, revocation/denial of accreditation, or other similar actions.

RESPONSE: Not applicable.

1) Discuss what measures the applicant has or will put in place to avoid similar findings in the future. .

5. Respond to all of the following and for such occurrences, identify, explain and provide documentation:

A. Has any of the following:

1) Any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant);

RESPONSE: No

2) Any entity in which any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%; and/or

RESPONSE: No

3) Any physician or other provider of health care, or administrator employed by any entity in which any person(s) or entity with more than 5% ownership in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%.

RESPONSE: No

B. Been subjected to any of the following:

1) Final Order or Judgment in a state licensure action;

RESPONSE: No

2) Criminal fines in cases involving a Federal or State health care offense;

RESPONSE: No

3) Civil monetary penalties in cases involving a Federal or State health care offense;

RESPONSE: No

4) Administrative monetary penalties in cases involving a Federal or State health care offense;

RESPONSE: No

5) Agreement to pay civil or administrative monetary penalties to the federal government or any state in cases involving claims related to the provision of health care items and services; and/or

RESPONSE: No

6) Suspension or termination of participation in Medicare or Medicaid/TennCare programs.

RESPONSE: No

7) Is presently subject of/to an investigation, regulatory action, or party in any civil or criminal action of which you are aware.

RESPONSE: Yes. Vanderbilt University Medical Center ("VUMC") is a defendant in connection with a qui tam lawsuit that was unsealed in the U.S. District Court for the Middle District of Tennessee on September 9, 2013. The lawsuit alleges VUMC submitted claims for certain surgical, anesthesia and intensive care unit services which were not in compliance with the reimbursement requirements of the Medicare and TennCare programs. VUMC cooperated with the U.S. Department of Justice regarding a civil inquiry into the allegations, and the Department of Justice declined to intervene in the case. The parties have reached a tentative settlement agreement, subject to the negotiation of the terms of the settlement agreements and final approval of the VUMC board, and subject to the final approval of the U.S. Government.

8) Is presently subject to a corporate integrity agreement.

RESPONSE: No

6. Outstanding Projects:

A. Complete the following chart by entering information for each applicable outstanding CON by applicant or share common ownership; and

Outstanding Projects					
CON Number	Project Name	Date Approved	*Annual Progress Report(s)		Expiration Date
			Due Date	Date Filed	
CN710-075	Monroe Carell Jr. Children's Hospital at Vanderbilt	1/23/2008	3/1/2017	2/23/2017	March 1, 2018
CN1406-021	Vanderbilt University Hospitals	9/24/2014	11/1/2016	10/25/2016	November 1, 2020
CN1602-010	Vanderbilt University Medical Center	4/27/2016	6/1/2017	5/10/2017	June 1, 2019

* Annual Progress Reports – HSDA Rules require that an Annual Progress Report (APR) be submitted each year. The APR is due annually until the Final Project Report (FPR) is submitted (FPR is due within 90 ninety days of the completion and/or implementation of the project). Brief progress status updates are requested as needed. The project remains outstanding until the FPR is received.

B. Provide a brief description of the current progress, and status of each applicable outstanding CON.

RESPONSE: Updates on VUMC outstanding CON projects:

CN0710-075
Construction is well underway on the Children's 4-floor vertical expansion. Approval from State Health was received in early January 2017.

CN1406-021
This project includes several major components and is being implemented in stages. The first stage of the project is focused on opening observation units on the VUMC campus, with two out of the three observations units opened.

CN1602-010
Relocations have occurred for the Clinical Research Center to begin construction on the new center. This construction began in March.

7. Equipment Registry – For the applicant and all entities in common ownership with the applicant.

A. Do you own, lease, operate, and/or contract with a mobile vendor for a Computed Tomography scanner (CT), Linear Accelerator, Magnetic Resonance Imaging (MRI), and/or Positron Emission Tomographer (PET)? **NO**

B. If yes, have you submitted their registration to HSDA? If you have, what was the date of submission? **N/A**

C. If yes, have you submitted your utilization to Health Services and Development Agency? If you have, what was the date of submission? **N/A**

QUALITY MEASURES

Please verify that the applicant will report annually using forms prescribed by the Agency concerning continued need and appropriate quality measures as determined by the Agency pertaining to the certificate of need, if approved.

RESPONSE: VUMC will comply will all reporting requests from the HSDA.

STATE HEALTH PLAN QUESTIONS

T.C.A. §68-11-1625 requires the Tennessee Department of Health's Division of Health Planning to develop and annually update the State Health Plan (found at http://www.tn.gov/health/topic/health-planning). The State Health Plan guides the State in the development of health care programs and policies and in the allocation of health care resources in the State, including the Certificate of Need program. The 5 Principles for Achieving Better Health are from the State Health Plan's framework and inform the Certificate of Need program and its standards and criteria.

Discuss how the proposed project will relate to the 5 Principles for Achieving Better Health found in the State Health Plan.

1. The purpose of the State Health Plan is to improve the health of the people of Tennessee.

RESPONSE: The proposed project will allow greater access to the children and families that seek care at MCJCHV. The addition of this MRI will allow patients in a timely manner, which can have a positive effect on patient outcomes.

2. People in Tennessee should have access to health care and the conditions to achieve optimal health.

RESPONSE: With the additional MRI machine, MCJCHV will be able to achieve higher capacity so that more patients are able to receive timely quality care. With the continued success and growth of MCJCHV, the addition of this MRI will contribute to improving optimal health for patients across Tennessee and surrounding states.

3. Health resources in Tennessee, including health care, should be developed to address the health of people in Tennessee while encouraging economic efficiencies.

RESPONSE: The proposed project will achieve operational efficiencies by expanding MRI capacity at MCJCHV The addition of this MRI will support the MCJCHV expansion currently under construction and the continued growth of subspecialties. MCJCHV will achieve economic efficiencies by year 1 of this project and will continue to meet the needs of the children and families seeking care at MCJCHV.

4. People in Tennessee should have confidence that the quality of health care is continually monitored and standards are adhered to by providers.

RESPONSE: The proposed project will achieve the highest standards of quality through quality metrics and best practices. VUMC is actively engaged in many projects associated with quality and safety outcomes and is recognized as a national leader.

5. The state should support the development, recruitment, and retention of a sufficient and quality health workforce.

RESPONSE: MCJCHV is committed to providing outstanding care at the medical center, and thus, recruiting and retaining the best employee workforce. MCJCHV will utilize current employees as well as add additional employees to the system in order to maximize the new MRI capabilities.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper that includes a copy of the publication as proof of the publication of the letter of intent.

NOTIFICATION REQUIREMENTS

(Applies only to Nonresidential Substitution-Based Treatment Centers for Opiate Addiction)

Note that T.C.A. §68-11-1607(c)(9)(A) states that "...Within ten (10) days of the filing of an application for a nonresidential substitution-based treatment center for opiate addiction with the agency, the applicant shall send a notice to the county mayor of the county in which the facility is proposed to be located, the state representative and senator representing the house district and senate district in which the facility is proposed to be located, and to the mayor of the municipality, if the facility is proposed to be located within the corporate boundaries of a municipality, by certified mail, return receipt requested, informing such officials that an application for a nonresidential substitution-based treatment center for opiate addiction has been filed with the agency by the applicant."

Failure to provide the notifications described above within the required statutory timeframe will result in the voiding of the CON application.

Please provide documentation of these notifications.

DEVELOPMENT SCHEDULE

T.C.A. §68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

1. **Complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.**
2. **If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph,* please state below any request for an extended schedule and document the "good cause" for such an extension.**

PROJECT COMPLETION FORECAST CHART

Assuming the Certificate of Need (CON) approval becomes the final HSDA action on the date listed in Item 1. below, indicate the number of days from the HSDA decision date to each phase of the completion forecast.

Phase	Days Required	Anticipated Date [Month/Year]
1. Initial HSDA decision date		August 2017
2. Architectural and engineering contract signed		
3. Construction documents approved by the Tennessee Department of Health		
4. Construction contract signed		
5. Building permit secured		
6. Site preparation completed		
7. Building construction commenced		
8. Construction 40% complete		
9. Construction 80% complete		
10. Construction 100% complete (approved for occupancy		
11. *Issuance of License		Already Licensed
12. *Issuance of Service		March 2018
13. Final Architectural Certification of Payment		
14. Final Project Report Form submitted (Form HR0055)		

***For projects that *DO NOT* involve construction or renovation, complete Items 11 & 12 only.**

NOTE: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date

MAY 15'17 AM1

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

C. Wright Pinson, MBA, M.D., being first duly sworn, says that he/she is the applicant named in this application or his/her lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Tennessee Health Services and Development Agency and T.C.A. § 68-11-1601, *et seq.*, and that the responses to questions in this application or any other questions deemed appropriate by the Tennessee Health Services and Development Agency are true and complete.

C. Wright Pinson, MBA, M.D.
Deputy CEO
Vanderbilt University Medical Center

Sworn to and subscribed before me this the 15th day of May, 2017, a Notary Public in and for the County of Davidson, State of Tennessee.

NOTARY PUBLIC

My Commission expires 7/8/19.

JENNIFER HYGRELL
STATE OF TENNESSEE
NOTARY PUBLIC
COUNTY OF DAVIDSON

HF-0056
Revised 7/02 - All forms prior to this date are obsolete

Vanderbilt University Medical Center CON
Application Attachments
(in order of appearance)

- Corporate Charter/Certificate of Existence/Org Chart: Attachment A.4A
- Lease: Attachment A.6A
- Plot Plan: Attachment A.6B.1
- Floor Plan: Attachment A.6B.2
- Equipment Lease: Attachment A.13B
- FDA Equipment Approval: Attachment A.13F
  Attachment B.Need.1.Magnetic Resonance Imaging.7a
- ACR Accreditation: Attachment B.Need.1.Magnetic Resonance Imaging.7f
- Funding Documentation: Attachment C.Economic Feasibility.2
- Financial Statements: Attachment C.Economic Feasibility.6
- Contracts: Attachment Contribution to the Orderly Development of Healthcare.1
- Licensure & Accreditation: Attachment Contribution to the Orderly Development of Healthcare.4A
- Licensure Certification & Plan of Correction: Attachment Contribution to the Orderly Development of Healthcare.4B
- Proof of publication

Attachment A.4A

Corporate Charter

Certificate of Existence

Organizational Chart

CHARTER

OF

VANDERBILT UNIVERSITY MEDICAL CENTER

Pursuant to the provisions of Section 48-52-102 of the Tennessee Nonprofit Corporation Act (Tennessee Code Annotated §§ 48-51-101 et seq.), as amended from time to time (the "**Tennessee Nonprofit Corporation Act**"), the undersigned corporation, acting through its incorporator, hereby adopts the following Charter:

ARTICLE I

The name of the corporation is Vanderbilt University Medical Center (the "**Corporation**").

ARTICLE II

The Corporation (i) is a public benefit corporation; (ii) shall not be for profit; (iii) shall not have members; and (iv) is not a religious corporation. It is intended that the Corporation shall have the status of a nonprofit corporation that is exempt from federal income taxation under Section 501(a) of the Internal Revenue Code of 1986, as amended and to include any corresponding provisions of any subsequent federal tax laws (hereinafter, the "**Code**"), as an organization described and operated within the meaning of Section 501(c)(3) of the Code (or in each case, corresponding provisions of any subsequent federal tax laws).

ARTICLE III

(a) The street address and zip code of the Corporation's initial registered office are 800 South Gay Street, Suite 2021, Knoxville, Tennessee, 37929-9710, and the county in which the initial registered office is located is Knox County. The name of the Corporation's

initial registered agent at the Corporation's initial registered office is National Registered Agents, Inc.

(b) The street address and zip code of the Corporation's initial principal office are 1161 21st Avenue South, Suite D3300 MCN, Nashville, Tennessee, 37232-5545, and the county in which the initial principal office is located is Davidson County.

ARTICLE IV

The name, address and zip code of the incorporator of the Corporation are:

NAME	ADDRESS
Audrey J. Anderson	305 Kirkland Hall Vanderbilt University Nashville, TN 37240-0001

ARTICLE V

The Corporation's fiscal year shall conclude on June 30 every year.

ARTICLE VI

(a) The purposes for which the Corporation is organized are to operate exclusively for charitable, educational and scientific purposes, within the meaning of Section 501(c)(3) of the Code; and within such limits, and inclusive of such other consistent purposes, as may be set forth in the Bylaws of the Corporation, to: (1) operate, maintain or control one or more academic medical and health science centers, including (but not limited to) related health care, research, and other facilities (which also may be used for biomedical research, administration, and training and education of health care and life sciences professionals), all as may currently exist or as may be established in the future, as part of an integrated, world-class health system affiliated with Vanderbilt University, a Tennessee nonprofit corporation

("**Vanderbilt University**"); (2) preserve, promote, and enhance the availability of health care services and scientific advances in public health, in the communities served by the Corporation, by Vanderbilt University, and their respective affiliates and networks; (3) otherwise advance purposes consistent with the general purposes herein and the mission as set forth in the Bylaws; and (4) otherwise fulfill and satisfy the Corporation's obligations as a party to one or more agreements to be entered into by and among the Corporation, on the one hand, and Vanderbilt University on the other hand, to ensure that the Corporation and Vanderbilt may efficiently and effectively pursue shared interests in health-related research and training.

(b) Subject to the limitations contained in this Charter and the Bylaws and without partisanship of any kind, the Corporation shall be empowered to take all appropriate action in furtherance of the purposes set forth in paragraph (a) of this Article VI and to carry out any activities and exercise all powers available to corporations organized pursuant to the Tennessee Nonprofit Corporation Act that may be carried out by organizations that are described in Section 501(c)(3) of the Code.

(c) The Corporation shall not have or exercise any power or authority either expressly or by interpretation or by operation of law, nor shall it directly or indirectly engage in any activity, (i) that would prevent it from qualifying (and continuing to qualify) as an organization described in Section 501(c)(3) of the Code; (ii) that would prevent it from qualifying (and continuing to qualify) as an organization contributions to which are deductible under Sections 170(c)(2), 2055(a) and 2522(a), as applicable, of the Code; or (iii) that is not available to and may not be carried out by a corporation organized pursuant to the Tennessee Nonprofit Corporation Act.

ARTICLE VII

(a) All powers of the Corporation shall be exercised by or under the authority of, and the affairs of the Corporation shall be managed by or under the direction of, its Board of Directors. The Board of Directors of the Corporation shall exercise all such powers subject to, and in accordance with, the Bylaws of the Corporation. The manner of appointment or election of the members of the Board of Directors shall be set forth in the Bylaws.

(b) Except as otherwise provided in this Charter, the internal affairs of the Corporation shall be governed by, and regulated and determined as provided in, the Corporation's Bylaws.

ARTICLE VIII

In all events and under all circumstances, and notwithstanding merger, consolidation, reorganization, termination, dissolution, or winding up of the Corporation, voluntary or involuntary, or by the operation of law, or upon amendment of this Charter:

(a) No part of the assets or net earnings of the Corporation shall inure to the benefit of or be distributable to its incorporator, directors, officers or other private persons having a personal or private interest in the Corporation, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered and to make reimbursement in reasonable amounts for expenses actually incurred in carrying out the purposes set forth in Article VI hereof.

(b) No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda, or of otherwise attempting to influence legislation, unless Section 501(h) of the Code shall apply to the Corporation, in which case the Corporation shall not normally make lobbying or grass roots expenditures in excess of the amounts therein specified.

The Corporation shall not in any manner or to any extent participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of (or in opposition to) any candidate for public office; nor shall it engage in any "prohibited transaction" as defined in Section 503(b) of the Code.

(c) Neither the whole, or any part or portion, of the assets or net earnings of the Corporation shall be used, nor shall the Corporation ever be operated, for objects or purposes other than those set forth in Article VI hereof.

(d) Upon dissolution of the Corporation, all of the Corporation's assets and property of every nature and description remaining after the payment of all liabilities and obligations of the Corporation (but not including assets held by the Corporation upon condition requiring return, transfer, or conveyance, which condition occurs by reason of the dissolution) shall be paid over and transferred to Vanderbilt University, or to one or more organizations as approved in writing by Vanderbilt University, provided that Vanderbilt University or such other approved organization(s) are then qualified for exemption from federal income taxes as organizations described in Section 501(c)(3) of the Code.

ARTICLE IX

The Corporation's Charter may be amended, restated or altered, in whole or in part, by the affirmative vote of at least seventy-five percent (75%) of all of the members of the Corporation's Board of Directors then in office at a duly called meeting at which a quorum is present; provided that (a) at least seven (7) calendar days' notice in writing setting forth a proposed amendment, restatement or alteration of the Corporation's Charter, or a reasonably detailed summary thereof, has first been provided to the Corporation's Board of Directors, and (b) the approval of Vanderbilt University shall be required for any amendment that adversely

impacts the rights of Vanderbilt University or the VU Directors, as that term is defined in the Corporation's Bylaws.

[Signature page follows]

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 18 day of March, 2015.

Audrey J. Anderson,
Incorporator

[*Signature Page to Charter*]

STATE OF TENNESSEE
Tre Hargett, Secretary of State
Division of Business Services
William R. Snodgrass Tower
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

ROBIN LUNDQUIST
VUMC OFFICE OF LEGAL AFFAIRS
STE 700
2525 WEST END AVE
NASHVILLE, TN 37203-1790

Request Type: Certified Copies
Request #: 216472

Issuance Date: 10/07/2016
Copies Requested: 1

Document Receipt

Receipt # : 002920890	Filing Fee:	$20.00
Payment-Check/MO - ERIC J LUNDQUIST, HENDERSONVILLE, TN		$20.00

I, Tre Hargett, Secretary of State of the State of Tennessee, do hereby certify that **Vanderbilt University Medical Center**, Control # 792687 was formed or qualified to do business in the State of Tennessee on 03/18/2015. Vanderbilt University Medical Center has a home jurisdiction of TENNESSEE and is currently in an Active status. The attached documents are true and correct copies and were filed in this office on the date(s) indicated below.

Tre Hargett
Secretary of State

Processed By: Nichole Hambrick

The attached document(s) was/were filed in this office on the date(s) indicated below:

Reference #	Date Filed	Filing Description
B0072-0037	03/18/2015	Initial Filing
B0244-2645	05/25/2016	Assumed Name
B0244-2646	05/25/2016	Assumed Name
B0244-2647	05/25/2016	Assumed Name
B0244-2648	05/25/2016	Assumed Name
B0244-2649	05/25/2016	Assumed Name

Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Filing Information

Name: **Vanderbilt University Medical Center**

General Information

SOS Control #	**000792687**	Formation Locale:	TENNESSEE
Filing Type:	Nonprofit Corporation - Domestic	Date Formed:	03/18/2015
	03/18/2015 3:00 PM	Fiscal Year Close	6
Status:	Active		
Duration Term:	Perpetual		
Public/Mutual Benefit:	Public		

Registered Agent Address
NATIONAL REGISTERED AGENTS, INC.
STE 2021
800 S GAY ST
KNOXVILLE, TN 37929-9710

Principal Address
STE D3300MCN
1161 21ST AVE S
NASHVILLE, TN 37232-5545

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description	Image #
09/15/2016	2016 Annual Report	B0280-8438
05/25/2016	Assumed Name	B0244-2645
	New Assumed Name Changed From: No Value To: Vanderbilt Outpatient Pharmacy	
05/25/2016	Assumed Name	B0244-2646
	New Assumed Name Changed From: No Value To: Vanderbilt Clinic Pharmacy	
05/25/2016	Assumed Name	B0244-2647
	New Assumed Name Changed From: No Value To: Vanderbilt Adult Hospital Pharmacy	
05/25/2016	Assumed Name	B0244-2648
	New Assumed Name Changed From: No Value To: Vanderbilt Nuclear Pharmacy	
05/25/2016	Assumed Name	B0244-2649
	New Assumed Name Changed From: No Value To: Vanderbilt Oncology Pharmacy	
09/29/2015	2015 Annual Report	B0133-7363
03/18/2015	Initial Filing	B0072-0037

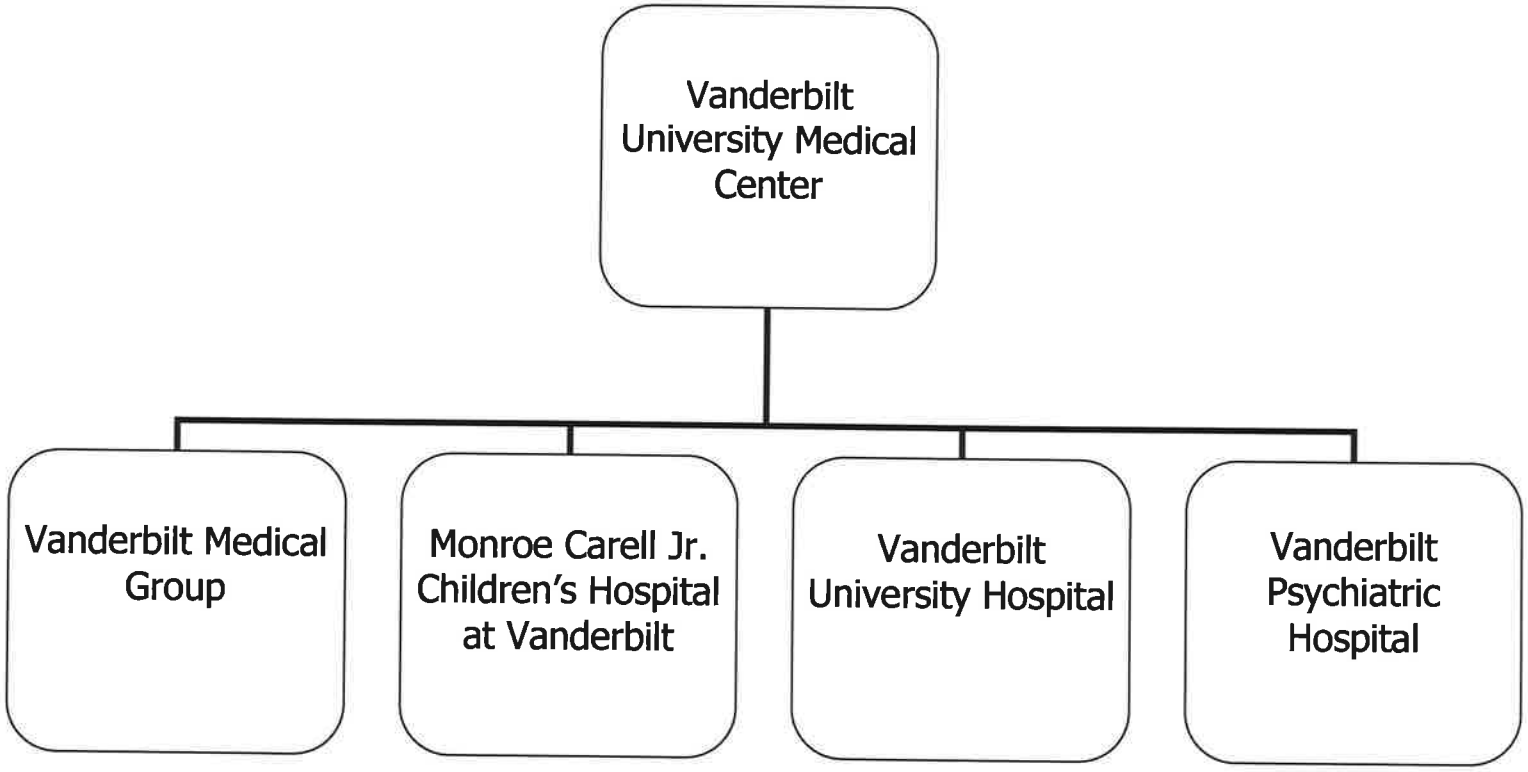
Active Assumed Names (if any)	Date	Expires
Vanderbilt Oncology Pharmacy	05/25/2016	05/25/2021
Vanderbilt Nuclear Pharmacy	05/25/2016	05/25/2021

Filing Information

Name: **Vanderbilt University Medical Center**

Vanderbilt Adult Hospital Pharmacy	05/25/2016	05/25/2021
Vanderbilt Clinic Pharmacy	05/25/2016	05/25/2021
Vanderbilt Outpatient Pharmacy	05/25/2016	05/25/2021

Vanderbilt University Medical Center Organization Chart



Attachment A.6A

Lease

Prepared by and after recording return to:
Hogan Lovells US LLP
Attn: Al Stemp, Esq.
1999 Avenue of the Stars, Suite 1400
Los Angeles, California 90067

MEMORANDUM OF GROUND LEASE

THE VANDERBILT UNIVERSITY, a Tennessee nonprofit corporation ("**Landlord**"), has leased to VANDERBILT UNIVERSITY MEDICAL CENTER, a Tennessee nonprofit corporation ("**Tenant**"), for a period beginning on April 30, 2016 (the "**Ground Lease Effective Date**"), and expiring on June 30, 2114, subject to two (2) renewal options exercisable by Tenant for two (2) additional periods of at least fifty (50) years but no more than ninety-nine (99) years each as mutually agreed by Tenant and Landlord (such period and renewals being referred to herein as the "**Ground Lease Term**"), those certain parcels or tracts of land in Nashville, Davidson County, Tennessee, described on **Exhibit A** attached hereto and made a part hereof (the "**Premises**"). The Premises has been leased to Tenant pursuant to that certain Ground Lease entered into as of April 29, 2016 and effective as of the Ground Lease Effective Date, by and between Landlord and Tenant (the "**Ground Lease**"). During the Ground Lease Term, existing improvements and future improvements located on the Premises (the "**Improvements**") shall be owned by Tenant in fee simple and deemed Tenant's property for all purposes until the expiration of the Ground Lease Term or the earlier termination of the Ground Lease.

At the expiration of the Ground Lease Term or prior termination of the Ground Lease, Tenant shall: (1) immediately and peaceably surrender the Premises and Improvements to Landlord in a safe and clean condition and in good order and repair, reasonable wear and tear excepted and (2) assign to Landlord Tenant's interest in any subleases executed by Tenant in accordance with the Ground Lease. At the expiration of the Ground Lease Term or prior termination of the Ground Lease, fee title to the Improvements shall automatically revert to and be vested in Landlord and Tenant shall deliver such documentation reasonably requested by Landlord to memorialize the reversion of fee title to the Improvements to Landlord. In addition, any personal property belonging to Tenant (but not owned by any subtenant or occupant under any sublease) left at the Premises or Improvements following the expiration or prior termination of the Ground Lease shall be deemed abandoned.

The use of the Premises is strictly limited by certain terms and provisions of the Ground Lease, all of which are incorporated herein by this reference.

The Ground Lease forms part of a single, interdependent, integrated transaction effected by means of a set of interrelated agreements entered into by Landlord and Tenant substantially contemporaneously herewith, including the Master Transfer and Separation Agreement (as defined as MTSA in the Ground Lease), the Academic Affiliation Agreement (as defined as AAA in the Ground Lease), the Trademark License Agreement (as defined in the Ground Lease), the Reciprocal Easement and Facilities Management Agreement (as defined as the Easement and Facilities Agreement in the Ground Lease), the Parking Lease Agreement (as defined in the Ground Lease) services agreements and other agreements.

This Memorandum of Ground Lease may be executed in any number of counterparts, which shall collectively constitute one instrument.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Ground Lease as of the 29th day of April, 2016, but intend it to be effective as of April 30, 2016.

LANDLORD:

THE VANDERBILT UNIVERSITY, a Tennessee nonprofit corporation

By: Eric Kopstein

Print Name: Eric Kopstain

Print Title: Vice Chancellor for Administration

DISTRICT OF COLUMBIA)

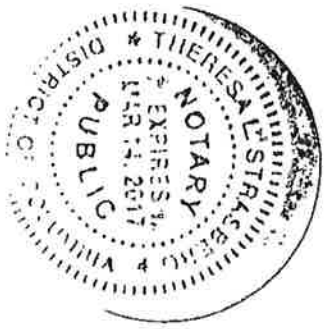
Before me, the undersigned, a Notary Public in and for the District of Columbia, personally appeared Eric Kopstain, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself to be Vice Chancellor for Administration of **THE VANDERBILT UNIVERSITY**, the within named bargainor, a Tennessee nonprofit corporation, and that he as such Vice Chancellor for Administration, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Eric Kopstain, Vice Chancellor for Administration.

Witness my hand and seal, at office in the District of Columbia, this the 27th day of April, 2016.

Theresa L. Strasberg

NOTARY PUBLIC

My Commission Expires: 03/14/2017



TENANT:

VANDERBILT UNIVERSITY MEDICAL CENTER,
a Tennessee nonprofit corporation

By: Cecelia B. Moore
Print Name: Cecelia B. Moore
Print Title: Chief Financial Officer and Treasurer

DISTRICT OF COLUMBIA)

Before me, the undersigned, a Notary Public in and for the District of Columbia, personally appeared Cecelia B. Moore, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged herself to be Chief Financial Officer and Treasurer of **VANDERBILT UNIVERSITY MEDICAL CENTER**, the within named bargainor, a Tennessee nonprofit corporation, and that she as such Chief Financial Officer and Treasurer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Cecelia B. Moore, Chief Financial Officer and Treasurer.

Witness my hand and seal, at office in the District of Columbia, this the 27th day of April, 2016.

Theresa L. Strasburg
NOTARY PUBLIC
My Commission Expires: 03/14/2017

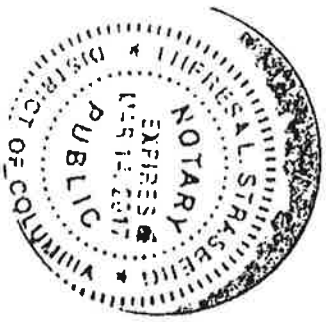


Exhibit A
to
Memorandum of Ground Lease

Premises Description

[Attached.]

TRACT A

BEING A GROUND LEASE TRACT IN DAVIDSON COUNTY, CITY OF NASHVILLE, TENNESSEE. BEING A PORTION OF PARCEL NUMBER 1 AS SHOWN ON DAVIDSON COUNTY PROPERTY TAX MAP NUMBER 104-04. BEING BOUNDED ON THE SOUTH BY RIGHT-OF-WAY (R/W) OF BLAKEMORE AVENUE (PUBLIC R/W VARIES), ON THE WEST BY RIGHT-OF-WAY (R/W) OF 24TH AVENUE SOUTH (60' PUBLIC R/W), ON THE NORTH BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF CHILDREN'S WAY HAVING BEEN CLOSED BY METRO ORDINANCE, AND ON THE EAST BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF 23RD AVENUE SOUTH HAVING BEEN CLOSED BY METRO ORDINANCE, SAID TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

POINT OF BEGINNING BEING AN P.K NAIL (NEW) IN THE NORTHERLY R/W MARGIN OF BLAKEMORE AVENUE AND APPROXIMATELY IN THE WESTERLY FACE OF FACE OF CURB OF 23RD AVENUE SOUTH BEING THE SOUTHEAST CORNER OF THE PROPERTY HEREIN DESCRIBED, HAVING A NORTHING OF 657,865.30 AND AN EASTING OF 1,731,331.44 (NAD83); THENCE LEAVING THE SAID 23RD AVENUE SOUTH WITH THE R/W OF BLAKEMORE AVENUE NORTH 82 DEGREES 23 MINUTES 36 SECONDS WEST, 260.35 FEET TO A P.K. NAIL (NEW); THENCE NORTH 78 DEGREES 00 MINUTES 57 SECONDS WEST, 100.96 FEET TO A P.K. NAIL (NEW); THENCE NORTH 82 DEGREES 10 MINUTES 01 SECONDS WEST, 128.53 FEET TO A P.K. NAIL (NEW); THENCE NORTH 55 DEGREES 08 MINUTES 03 SECONDS WEST, 29.54 FEET TO A P.K. NAIL (NEW) IN THE EASTERLY R/W MARGIN OF 24TH AVENUE SOUTH; THENCE WITH THE R/W OF 24TH AVENUE SOUTH NORTH 07 DEGREES 32 MINUTES 17 SECONDS EAST 10.39 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE LEFT HAVING A RADIUS OF 1130.00 FEET, A CENTRAL ANGLE OF 13 DEGREES 51 MINUTES 48 SECONDS, AN ARC LENGTH OF 273.41 FEET, AND A CHORD BEARING AND DISTANCE OF NORTH 01 DEGREES 06 MINUTES 05 SECONDS WEST 272.75 FEET TO A P.K. NAIL (NEW); THENCE NORTH 07 DEGREES 44 MINUTES 32 SECONDS WEST 17.29 FEET TO A P.K. NAIL (NEW) IN THE SOUTHERLY PORTION OF CHILDREN'S WAY; THENCE LEAVING 24TH AVENUE SOUTH GENERALLY WITH THE SOUTHERLY FACE OF CURB OF CHILDREN'S WAY SOUTH 82 DEGREES 38 MINUTES 19 SECONDS EAST, 550.58 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 14.39 FEET, A CENTRAL ANGLE OF 93 DEGREES 29 MINUTES 07 SECONDS, AN ARC LENGTH OF 23.48 FEET, A CHORD BEARING AND DISTANCE OF SOUTH 37 DEGREES 23 MINUTES 47 SECONDS EAST, 20.96 FEET TO A P.K. NAIL (NEW) IN THE WESTERLY PORTION OF 23RD AVENUE SOUTH; THENCE GENERALLY WITH THE WESTERLY FACE OF CURB OF 23RD AVENUE SOUTH SOUTH 08 DEGREES 18 MINUTES 04 SECONDS WEST, 305.97 FEET TO THE POINT OF BEGINNING.

CONTAINING 168,476 SQUARE FEET OR 3.87 ACRES, MORE OR LESS.

TRACT B

BEING A GROUND LEASE TRACT IN DAVIDSON COUNTY, CITY OF NASHVILLE, TENNESSEE. BEING A PORTION OF PARCEL NUMBER 1 AS SHOWN ON DAVIDSON COUNTY PROPERTY TAX MAP NUMBER 104-04. BEING BOUNDED ON THE NORTH BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF PIERCE AVENUE HAVING BEEN CLOSED BY METRO ORDINANCE, ON THE WEST BY RIGHT-OF-WAY (R/W) OF 24TH AVENUE SOUTH (60' PUBLIC R/W), ON THE SOUTH BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF CHILDREN'S WAY HAVING BEEN CLOSED BY METRO ORDINANCE, AND ON THE EAST BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF 23RD AVENUE SOUTH HAVING BEEN CLOSED BY

METRO ORDINANCE, SAID TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

POINT OF BEGINNING BEING A P.K NAIL (NEW) IN THE EASTERLY R/W MARGIN OF 24TH AVENUE SOUTH AND APPROXIMATELY IN THE NORTHERLY FACE OF CURB OF CHILDRENS WAY BEING THE SOUTHWEST CORNER OF THE PROPERTY HEREIN DESCRIBED, HAVING A NORTHING OF 658,298.15 AND AN EASTING OF 1,730,811.02 (NAD83); THENCE WITH THE SAID 24TH AVENUE NORTH 07 DEGREES 44 MINUTES 36 SECONDS WEST, 88.16 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 970.36 FEET, A CENTRAL ANGLE OF 14 DEGREES 34 MINUTES 10 SECONDS, AN ARC LENGTH OF 246.75 FEET, AND A CHORD BEARING AND DISTANCE OF NORTH 00 DEGREES 27 MINUTES 19 SECONDS WEST 246.08 FEET TO A P.K. NAIL (NEW) IN THE SOUTHERLY PORTION OF PIERCE AVENUE; THENCE LEAVING 24TH AVENUE SOUTH GENERALLY AND PARTIALLY WITH THE SOUTHERLY FACE OF CURB OF PIERCE AVENUE SOUTH 82 DEGREES 17 MINUTES 34 SECONDS EAST, 589.37 FEET TO A P.K. NAIL (NEW) IN THE WESTERLY PORTION OF 23RD AVENUE SOUTH; THENCE LEAVING PIERCE AVENUE GENERALLY AND PARTIALLY WITH THE WESTERLY FACE OF CURB OF 23RD AVENUE SOUTH SOUTH 07 DEGREES 27 MINUTES 25 SECONDS WEST, 325.36 FEET TO A P.K. NAIL (NEW) IN THE NORTHERLY PORTION OF CHILDRENS WAY; THENCE LEAVING 23RD AVENUE SOUTH GENERALLY WITH THE NORTHERLY FACE OF CURB OF CHILDRENS WAY NORTH 82 DEGREES 38 MINUTES 15 SECONDS WEST, 532.37 FEET TO THE POINT OF BEGINNING.

CONTAINING 186,092 SQUARE FEET OR 4.27 ACRES, MORE OR LESS.

TRACT C

BEING A GROUND LEASE TRACT IN DAVIDSON COUNTY, CITY OF NASHVILLE, TENNESSEE. BEING A PORTION OF PARCEL NUMBER 1 AS SHOWN ON DAVIDSON COUNTY PROPERTY TAX MAP NUMBER 104-04. BEING BOUNDED ON THE NORTH BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF PIERCE AVENUE HAVING BEEN CLOSED BY METRO ORDINANCE, ON THE EAST BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF MEDICAL CENTER DRIVE HAVING BEEN CLOSED BY METRO ORDINANCE, ON THE SOUTH BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF CHILDREN'S WAY HAVING BEEN CLOSED BY METRO ORDINANCE, AND ON THE WEST BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF 23RD AVENUE SOUTH HAVING BEEN CLOSED BY METRO ORDINANCE, SAID TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

POINT OF BEGINNING BEING AN P.K NAIL (NEW) IN THE NORTHERLY FACE OF CURB OF CHILDREN'S WAY AND THE EASTERLY FACE OF CURB OF 23RD AVENUE SOUTH BEING THE SOUTHWEST CORNER OF THE PROPERTY HEREIN DESCRIBED, HAVING A NORTHING OF 658,226.86 AND AN EASTING OF 1,731,362.51 (NAD83); THENCE LEAVING THE SAID CHILDREN'S WAY GENERALLY WITH THE FACE OF CURB OF 23RD AVENUE NORTH 07 DEGREES 08 MINUTES 40 SECONDS EAST, 291.75 FEET TO A P.K. NAIL (NEW); THENCE NORTH 37 DEGREES 07 MINUTES 37 SECONDS EAST, 37.29 FEET TO A P.K. NAIL (NEW) IN THE SOUTHERLY PORTION OF PIERCE AVENUE; THENCE LEAVING 23RD AVENUE SOUTH GENERALLY WITH THE SOUTHERLY FACE OF CURB OF PIERCE AVENUE SOUTH 80 DEGREES 16 MINUTES 12 SECONDS EAST, 49.20 FEET TO A P.K. NAIL (NEW); THENCE SOUTH 82 DEGREES 47 MINUTES 22 SECONDS EAST, 277.22 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 17.60 FEET, A CENTRAL ANGLE OF 90 DEGREES 09 MINUTES 04 SECONDS, AN ARC LENGTH OF 27.70 FEET, AND A CHORD BEARING AND DISTANCE OF SOUTH 47 DEGREES 57 MINUTES 47 SECONDS EAST 24.93 FEET TO A P.K. NAIL (NEW) IN THE WESTERLY PORTION OF MEDICAL CENTER DRIVE; THENCE GENERALLY WITH THE WESTERLY FACE OF CURB OF MEDICAL CENTER DRIVE SOUTH 07 DEGREES 24 MINUTES 30 SECONDS WEST 295.72 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 15.38 FEET, A CENTRAL ANGLE OF 90 DEGREES 14 MINUTES 37 SECONDS, AN ARC LENGTH OF 24.23 FEET, A CHORD BEARING AND DISTANCE OF SOUTH 56 DEGREES 24 MINUTES 44 SECONDS WEST, 21.80 FEET TO A P.K. NAIL (NEW) IN THE NORTHERLY PORTION OF CHILDREN'S WAY; THENCE GENERALLY WITH THE NORTHERLY FACE OF CURB OF CHILDREN'S WAY NORTH 82 DEGREES 24 MINUTES 55 SECONDS WEST, 347.70 FEET TO THE POINT OF BEGINNING.

CONTAINING 117,544 SQUARE FEET OR 2.70 ACRES, MORE OR LESS.

TRACT D

BEING A GROUND LEASE TRACT IN DAVIDSON COUNTY, CITY OF NASHVILLE, TENNESSEE. BEING A PORTION OF PARCEL NUMBER 1 AS SHOWN ON DAVIDSON COUNTY PROPERTY TAX MAP NUMBER 104-04. BEING BOUNDED ON THE NORTH BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF PIERCE AVENUE HAVING BEEN CLOSED BY METRO ORDINANCE, ON THE WEST BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF MEDICAL CENTER DRIVE HAVING BEEN CLOSED BY METRO ORDINANCE, ON THE SOUTH BY THE REMAINDER OF PARCEL 1, VANDERBILT UNIVERSITY BEING A PORTION OF CHILDREN'S WAY HAVING BEEN CLOSED BY METRO ORDINANCE, AND ON THE EAST BY THE R/W OF PUBLIC ALLEY #639 (15' PUBLIC R/W), SAID TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

POINT OF BEGINNING BEING AN P.K NAIL (NEW) IN THE NORTHERLY FACE OF CURB OF CHILDREN'S WAY AND THE WESTERLY R/W OF THE SAID ALLEY BEING THE SOUTHEAST CORNER OF THE PROPERTY HEREIN DESCRIBED, HAVING A NORTHING OF 658,159.49 AND AN EASTING OF 1,731,873.91 (NAD83); THENCE LEAVING THE SAID ALLEY GENERALLY WITH THE FACE OF CURB OF CHILDREN'S WAY NORTH 82 DEGREES 37 MINUTES 05 SECONDS WEST, 94.89 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 14.29 FEET, A CENTRAL ANGLE OF 93 DEGREES 24 MINUTES 17 SECONDS, AN ARC LENGTH OF 23.30 FEET, AND A CHORD BEARING AND DISTANCE OF NORTH 37 DEGREES 03 MINUTES 41 SECONDS WEST 20.80 FEET TO A P.K. NAIL (NEW) IN THE EASTERLY PORTION OF MEDICAL CENTER DRIVE; THENCE GENERALLY WITH THE EASTERLY FACE OF CURB OF MEDICAL CENTER DRIVE NORTH 07 DEGREES 24 MINUTES 13 SECONDS EAST 294.97 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 14.78 FEET, A CENTRAL ANGLE OF 94 DEGREES 03 MINUTES 25 SECONDS, AN ARC LENGTH OF 24.27 FEET, A CHORD BEARING AND DISTANCE OF NORTH 55 DEGREES 16 MINUTES 30 SECONDS EAST, 21.63 FEET TO A P.K. NAIL (NEW) IN THE SOUTHERLY PORTION OF PIERCE AVENUE; THENCE GENERALLY WITH THE SOUTHERLY FACE OF CURB OF PIERCE AVENUE SOUTH 82 DEGREES 57 MINUTES 46 SECONDS EAST, 94.47 FEET TO A P.K. NAIL (NEW) IN THE WESTERLY R/W OF THE SAID ALLEY; THENCE LEAVING PIERCE AVENUE WITH THE WESTERLY R/W OF THE SAID ALLEY SOUTH 07 DEGREES 35 MINUTES 22 SECONDS WEST, 324.90 FEET TO THE POINT OF BEGINNING.

CONTAINING 35,608 SQUARE FEET OR 0.82 ACRES, MORE OR LESS.

TRACT E

BEING A GROUND LEASE TRACT IN DAVIDSON COUNTY, CITY OF NASHVILLE, TENNESSEE. BEING A PORTION OF PARCEL NUMBER 10.00 AS SHOWN ON DAVIDSON COUNTY PROPERTY TAX MAP NUMBER 104-04. BEING BOUNDED ON THE NORTH AND WEST BY THE REMAINDER OF PARCEL 10.00, VANDERBILT UNIVERSITY BEING A PORTION OF MEDICAL CENTER DRIVE HAVING BEEN CLOSED BY METRO ORDINANCE, ON THE EAST BY THE R/W OF 21ST AVENUE SOUTH (70' PUBLIC R/W), AND ON THE SOUTH BY THE REMAINDER OF PARCEL 10.00, VANDERBILT UNIVERSITY BEING A PORTION OF PIERCE AVENUE HAVING BEEN CLOSED BY METRO ORDINANCE AND THE R/W OF PIERCE AVENUE (50' PUBLIC R/W), SAID TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

POINT OF BEGINNING BEING AN P.K NAIL (NEW) IN THE NORTHERLY R/W OF PIERCE AVENUE AND THE WESTERLY R/W OF 21ST AVENUE SOUTH BEING THE SOUTHEAST CORNER OF THE PROPERTY HEREIN DESCRIBED, HAVING A NORTHING OF 658,499.60 AND AN EASTING OF 1,732,101.71 (NAD83); THENCE LEAVING 21ST AVENUE SOUTH WITH THE R/W OF PIERCE AVENUE NORTH 82 DEGREES 49 MINUTES 45 SECONDS WEST, 180.89 FEET TO A P.K. NAIL (NEW); THENCE SOUTH 07 DEGREES 35 MINUTES 22 SECONDS WEST, 9.35 FEET TO A P.K. NAIL (NEW) IN THE NORTHERLY PORTION OF THE CLOSED PIERCE AVENUE; THENCE GENERALLY WITH THE NORTHERLY FACE OF CURB OF PIERCE AVENUE NORTH 82 DEGREES 46 MINUTES 08 SECONDS WEST, 92.91 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 17.50 FEET, A CENTRAL ANGLE OF 90 DEGREES 02 MINUTES 33 SECONDS, AN ARC LENGTH OF 27.50 FEET, AND A CHORD BEARING AND DISTANCE OF NORTH 37 DEGREES 44 MINUTES 52 SECONDS WEST 24.76 FEET TO A P.K. NAIL (NEW) IN THE EASTERLY PORTION OF MEDICAL CENTER DRIVE; THENCE GENERALLY WITH THE EASTERLY

FACE OF CURB OF MEDICAL CENTER DRIVE NORTH 07 DEGREES 16 MINUTES 24 SECONDS EAST 1035.07 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 111.95 FEET, A CENTRAL ANGLE OF 53 DEGREES 30 MINUTES 25 SECONDS, AN ARC LENGTH OF 104.55 FEET, A CHORD BEARING AND DISTANCE OF NORTH 53 DEGREES 38 MINUTES 43 SECONDS EAST, 100.79 FEET TO A P.K. NAIL (NEW); THENCE SOUTH 82 DEGREES 50 MINUTES 03 SECONDS EAST, 218.73 FEET TO A P.K. NAIL (NEW) IN THE WESTERLY R/W OF 21ST AVENUE SOUTH; THENCE LEAVING MEDICAL CENTER DRIVE WITH THE R/W OF 21ST AVENUE SOUTH 07 DEGREES 17 MINUTES 24 SECONDS WEST, 1112.78 FEET TO THE POINT OF BEGINNING.

CONTAINING 323,641 SQUARE FEET OR 7.43 ACRES, MORE OR LESS.

TRACT F

BEING A GROUND LEASE TRACT IN DAVIDSON COUNTY, CITY OF NASHVILLE, TENNESSEE. BEING A PORTION OF PARCEL NUMBER 1.00 AS SHOWN ON DAVIDSON COUNTY PROPERTY TAX MAP NUMBER 104-04. BEING BOUNDED ON THE NORTH, SOUTH, AND PORTION OF THE EAST BY THE REMAINDER OF PARCEL 1.00, VANDERBILT UNIVERSITY BEING A PORTION OF MEDICAL CENTER DRIVE, PIERCE AVENUE, AND GARLAND AVENUE HAVING BEEN CLOSED BY METRO ORDINANCE, AND STEVENSON CENTER LANE (PRIVATE), ON THE EAST BY THE R/W OF 21ST AVENUE SOUTH (70' PUBLIC R/W), AND ALSO ON THE WEST BY THE VETERANS HOSPITAL UNITED STATES OF AMERICA PROPERTY (R.O.D.C.T.), SAID TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

POINT OF BEGINNING BEING AN P.K NAIL (NEW) IN THE NORTHERLY PORTION OF PIERCE AVENUE AND IN THE EASTERLY LINE OF THE SAID VETERANS HOSPITAL PROPERTY BEING THE SOUTHWEST CORNER OF THE PROPERTY HEREIN DESCRIBED, HAVING A NORTHING OF 658,581.84 AND AN EASTING OF 1,731,376.57 (NAD83); THENCE LEAVING PIERCE AVENUE WITH THE EASTERLY LINE OF THE VETERANS HOSPITAL THE FOLLOWING THREE CALLS: NORTH 07 DEGREES 23 MINUTES 13 SECONDS EAST, 887.39 FEET TO A P.K. NAIL (NEW); THENCE NORTH 82 DEGREES 22 MINUTES 48 SECONDS WEST, 58.06 FEET TO A P.K. NAIL (NEW); THENCE NORTH 07 DEGREES 14 MINUTES 23 SECONDS EAST, 244.42 FEET TO A P.K. NAIL (NEW); THENCE LEAVING THE SAID VETERANS HOSPITAL THROUGH THE REMAINING LANDS OF VANDERBILT UNIVERSITY THE FOLLOWING TWENTY CALLS: SOUTH 82 DEGREES 47 MINUTES 25 SECONDS EAST, 233.29 FEET TO A P.K. NAIL (NEW); THENCE NORTH 07 DEGREES 35 MINUTES 17 SECONDS EAST, 152.53 FEET TO A P.K. NAIL (NEW) BEING IN THE FACE OF CURB OF GARLAND AVENUE; THENCE GENERALLY WITH THE FACE OF CURB OF GARLAND AVENUE AROUND A CURVE TO THE LEFT HAVING A RADIUS OF 41.59 FEET, A CENTRAL ANGLE OF 155 DEGREES 13 MINUTES 29 SECONDS, AN ARC LENGTH OF 112.66 FEET, AND A CHORD BEARING AND DISTANCE OF NORTH 60 DEGREES 21 MINUTES 47 SECONDS WEST 81.24 FEET TO A P.K. NAIL (NEW) IN THE NORTHERLY PORTION OF GARLAND AVENUE; THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 20.47 FEET, AN ARC LENGTH OF 24.35, A CENTRAL ANGLE OF 68 DEGREES 09 MINUTES 38 SECONDS, AND A CHORD BEARING AND LENGTH OF SOUTH 66 DEGREES 45 MINUTES 17 SECONDS WEST, 22.94 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE LEFT HAVING A RADIUS OF 597.60 FEET, AN ARC LENGTH OF 83.70 FEET, A CENTRAL ANGLE OF 8 DEGREES 01 MINUTES 30 SECONDS, AND A CHORD BEARING AND LENGTH OF NORTH 87 DEGREES 36 MINUTES 11 SECONDS WEST, 83.63 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT, HAVING A RADIUS OF 21.99 FEET, AN ARC LENGTH OF 39.98 FEET, A CENTRAL ANGLE OF 104 DEGREES 10 MINUTES 27 SECONDS, AND A CHORD BEARING AND LENGTH OF NORTH 36 DEGREES 10 MINUTES 56 SECONDS WEST, 34.69 FEET TO A P.K. NAIL (NEW) IN THE EASTERLY PORTION OF STEVENSON CENTER LANE; THENCE GENERALLY WITH THE EASTERLY FACE OF CURB OF STEVENSON CENTER LANE NORTH 06 DEGREES 21 MINUTES 35 SECONDS EAST 144.31 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 66.31 FEET, A CENTRAL ANGLE OF 82 DEGREES 26 MINUTES 58 SECONDS, AN ARC LENGTH OF 95.42 FEET, A CHORD BEARING AND DISTANCE OF NORTH 47 DEGREES 23 MINUTES 58 SECONDS EAST, 87.40 FEET TO A P.K. NAIL (NEW); THENCE SOUTH 83 DEGREES 49 MINUTES 09 SECONDS EAST, 85.36 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE LEFT HAVING A RADIUS OF 73.09 FEET, AN ARC LENGTH OF 79.56 FEET, A CENTRAL ANGLE OF 62 DEGREES 22 MINUTES 13 SECONDS, AND A CHORD BEARING AND LENGTH OF NORTH 64 DEGREES 32 MINUTES 10 SECONDS EAST, 75.69 FEET TO A P.K. NAIL (NEW); THENCE LEAVING THE SAID FACE OF CURB NORTH 07 DEGREES 12 MINUTES 22 SECONDS EAST, 65.81

FEET TO A P.K. NAIL (NEW); THENCE SOUTH 82 DEGREES 41 MINUTES 54 SECONDS EAST, 71.16 FEET TO A P.K. NAIL (NEW) SAID LINE BEING PARALLEL 10' TO THE EXISTING FACE OF BUILDING; THENCE NORTH 07 DEGREES 18 MINUTES 44 SECONDS EAST, 45.78 FEET TO A P.K. NAIL (NEW) SAID LINE BEING PARALLEL 10' TO THE EXISTING FACE OF BUILDING; THENCE SOUTH 82 DEGREES 43 MINUTES 10 SECONDS EAST, 10.09 FEET TO A P.K. NAIL (NEW) SAID LINE BEING PARALLEL 10' WITH THE EXISTING FACE OF BUILDING; THENCE NORTH 06 DEGREES 25 MINUTES 03 SECONDS EAST, 62.40 FEET TO A P.K. NAIL (NEW) LOCATED GENERALLY AT THE BACK OF SIDEWALK; THENCE SOUTH 82 DEGREES 42 MINUTES 14 SECONDS EAST, 105.22 FEET TO A P.K. NAIL (NEW) LOCATED GENERALLY AT THE BACK OF SIDEWALK; THENCE WITH A SEVERANCE LINE RUNNING BETWEEN THE MEDICAL CENTER NORTH BUILDING AND THE MEDICAL RESEARCH BUILDING III SOUTH 07 DEGREES 17 MINUTES 07 SECONDS WEST, 55.55 FEET TO POINT; THENCE CONTINUING WITH SAID SEVERANCE LINE SOUTH 82 DEGREES 58 MINUTES 36 SECONDS EAST, 347.19 FEET TO A P.K. NAIL (NEW); THENCE LEAVING SAID SEVERANCE LINE GENERALLY WITH FACE OF CURB THE FOLLOWING THREE CALLS: SOUTH 07 DEGREES 05 MINUTES 22 SECONDS WEST, 74.46 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE LEFT HAVING A RADIUS OF 15.90 FEET, AN ARC LENGTH OF 16.94 FEET, A CENTRAL ANGLE OF 61 DEGREES 02 MINUTES 34 SECONDS, AND A CHORD BEARING AND LENGTH OF SOUTH 24 DEGREES 54 MINUTES 58 SECONDS EAST, 16.15 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 47.48 FEET, AN ARC LENGTH OF 11.21 FEET, A CENTRAL ANGLE OF 13 DEGREES 31 MINUTES 49 SECONDS, AND A CHORD BEARING AND LENGTH OF SOUTH 56 DEGREES 24 MINUTES 07 SECONDS EAST, 11.19 FEET TO A P.K. NAIL (NEW) IN THE WESTERLY R/W OF 21ST AVENUE SOUTH; THENCE WITH THE WESTERLY R/W OF 21ST AVENUE SOUTH 07 DEGREES 17 MINUTES 24 SECONDS WEST, 437.73 FEET TO A P.K. NAIL (NEW); THENCE LEAVING 21ST AVENUE SOUTH GENERALLY WITH THE NORTHERLY AND WESTERLY FACE OF CURB OF MEDICAL CENTER DRIVE THE FOLLOWING FOUR CALLS: NORTH 82 DEGREES 50 MINUTES 03 SECONDS WEST, 224.51 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE LEFT HAVING A RADIUS OF 153.95 FEET, AN ARC LENGTH OF 158.26 FEET, A CENTRAL ANGLE OF 58 DEGREES 54 MINUTES 04 SECONDS, AND A CHORD BEARING AND LENGTH OF SOUTH 53 DEGREES 25 MINUTES 52 SECONDS WEST, 151.39 FEET TO A P.K. NAIL (NEW); THENCE SOUTH 07 DEGREES 16 MINUTES 24 SECONDS WEST, 1042.07 FEET TO A P.K. NAIL (NEW); THENCE AROUND A CURVE TO THE RIGHT HAVING A RADIUS OF 17.50 FEET, AN ARC LENGTH OF 27.48 FEET, A CENTRAL ANGLE OF 89 DEGREES 58 MINUTES 39 SECONDS, AND A CHORD BEARING AND LENGTH OF SOUTH 52 DEGREES 15 MINUTES 44 SECONDS WEST, 24.74 FEET TO A P.K. NAIL (NEW) IN THE NORTHERLY PORTION OF PIERCE AVENUE; THENCE GENERALLY WITH THE FACE OF CURB OF PIERCE AVENUE NORTH 82 DEGREES 44 MINUTES 57 SECONDS WEST, 378.86 FEET TO THE POINT OF BEGINNING.

CONTAINING 810,842 SQUARE FEET OR 18.61 ACRES, MORE OR LESS.

TRACT G

Being Lots Nos. 5 and 6, the westerly part of Lot No. 4 and the easterly part of Lot No. 7 on the plan of Bransford Realty Company's West End Heights Subdivision, of record in Book 332, pages 124 and 125, Register's Office for Davidson County, Tennessee, and being described according to a survey prepared by Michael V. Holmes (Tennessee Registered Land Surveyor, No. 213) of Michael V. Holmes & Associates, Inc., dated March 23, 1995, as follows:

Beginning at an iron pin in the southerly margin of West End Avenue and the northwesterly corner of the Leader Federal Savings and Loan Company's property; thence with said margin of West End Avenue, North 36 degrees 45 minutes 44 seconds East, 162.50 feet to an iron pin; thence leaving said margin of West End Avenue, South 53 degrees 53 minutes 00 seconds East, 315.00 feet to an iron pin in the northerly margin of Orleans Drive; thence with said margin of Orleans Drive, South 57 degrees 51 minutes 30 seconds West, 86.12 feet to an iron pin; thence continuing with the margin of Orleans Drive, South 62 degrees 01 minutes 04 seconds West, 91.71 feet to an iron pin; thence leaving said margin of Orleans Drive, North 53 degrees 53 minutes 00 seconds West, 244.87 feet to the point of beginning, containing 45,772.979 square feet, or 1.051 acres, more or less.

BEING THE SAME PROPERTIES CONVEYED TO THE VANDERBILT UNIVERSITY, A TENNESSEE

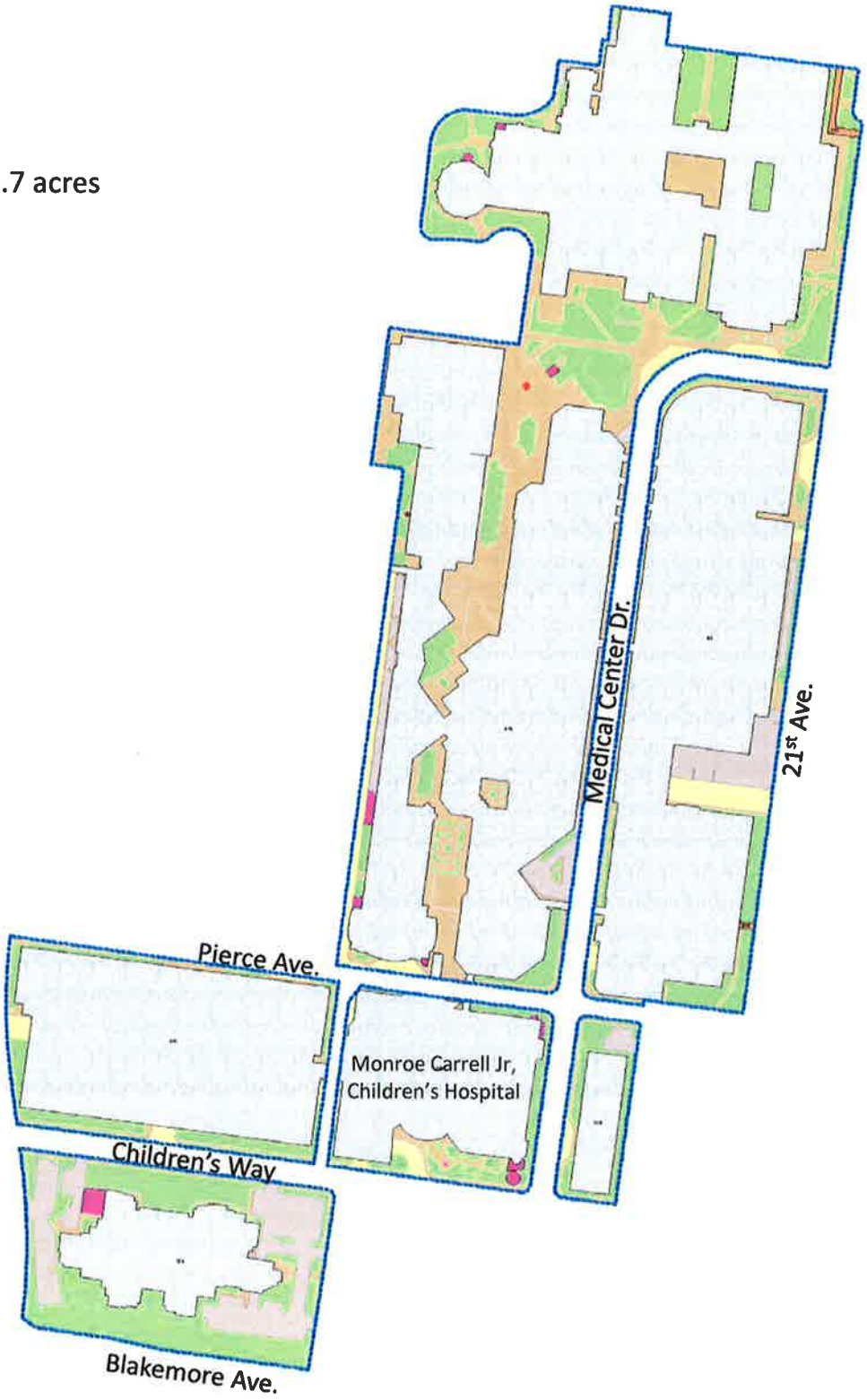
NONPROFIT CORPORATION, BY DEEDS OF RECORD IN DEED BOOK 49, PAGE 506, DEED BOOK 49, PAGE 508, BOOK 3799, PAGE 27, BOOK 3811, PAGE 588, BOOK 3812, PAGE 47, BOOK 3843, PAGE 905, BOOK 3858, PAGE 708, BOOK 3862, PAGE 859, BOOK 3884, PAGE 926, BOOK 3895, PAGE 480, BOOK 3895, PAGE 482, BOOK 3895, PAGE 486, BOOK 3898, PAGE 101, BOOK 3930, PAGE 354, BOOK 3960, PAGE 104, BOOK 3982, PAGE 883, BOOK 3986, PAGE 137, BOOK 3986, PAGE 546, BOOK 4013, PAGE 656, BOOK 4018, PAGE 863, BOOK 4027, PAGE 620, BOOK 4052, PAGE 109, BOOK, BOOK 4068, PAGE 383, BOOK 4070, PAGE 484, BOOK 4089, PAGE 918, BOOK 4101, PAGE 770, BOOK 4107, PAGE 354, BOOK 4107, PAGE 883, BOOK 4120, PAGE 246, BOOK 4122, PAGE 186, BOOK 4125, PAGE 279, BOOK 4127, PAGE 197, BOOK 4141, PAGE 352, BOOK 4153, PAGE 267, BOOK 4162, PAGE 749, BOOK 4163, PAGE 370, BOOK 4176, PAGE 790, BOOK 4197, PAGE 948, BOOK 4202, PAGE 259, BOOK 4202, PAGE 442, BOOK 4207, PAGE 722, BOOK 4222, PAGE 423, BOOK 4224, PAGE 632, BOOK 4232, PAGE 514, BOOK 4248, PAGE 954, BOOK 4293, PAGE 423, BOOK 4333, PAGE 755, BOOK 4363, PAGE 778, BOOK 4377, PAGE 262, BOOK 4400, PAGE 260, BOOK 4469, PAGE 440, BOOK 4485, PAGE 511, BOOK 4490, PAGE 744, BOOK 4500, PAGE 684, BOOK 4504, PAGE 250, BOOK 4505, PAGE 645, BOOK 4581, PAGE 747, BOOK 4589, PAGE 170, BOOK 4608, PAGE 592, BOOK 4618, PAGE 365, BOOK 4644, PAGE 727, BOOK 4664, PAGE 1, BOOK 4678, PAGE 868, BOOK 4733, PAGE 337, BOOK 4740, PAGE 351, BOOK 4746, PAGE 425, BOOK 4754, PAGE 319, BOOK 4870, PAGE 44, BOOK 4790, PAGE 385, BOOK 4833, PAGE 813, BOOK 4875, PAGE 702, BOOK 4886, PAGE 1, BOOK 4900, PAGE 460, BOOK 4904, PAGE 64, BOOK 4989, PAGE 183, BOOK 5292, PAGE 972, BOOK 5330, PAGE 369, BOOK 5330, PAGE 374, BOOK 5330, PAGE 376, BOOK 5334, PAGE 376, BOOK 5566, PAGE 949, BOOK 6491, PAGE 286, BOOK 8378, PAGE 870, BOOK 10112, PAGE 156, INSTRUMENT NO. 20020212-0018446, INSTRUMENT. NO. 20091023-0098114, INSTRUMENT NO. 20091209-0112556, INSTRUMENT NO. 20101008-0081062, INSTRUMENT NO. 20110912-0070703, INSTRUMENT NO. 20020528-0064382, IN THE REGISTER'S OFFICE FOR DAVIDSON COUNTY, TENNESSEE.

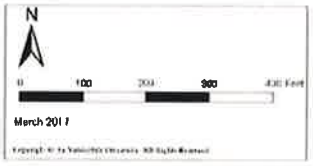
Attachment A.6B.1

Plot Plan

VANDERBILT UNIVERSITY
Campus Planning & Construction
Facilities Information Services

Total VUMC Acreage = 37.7 acres

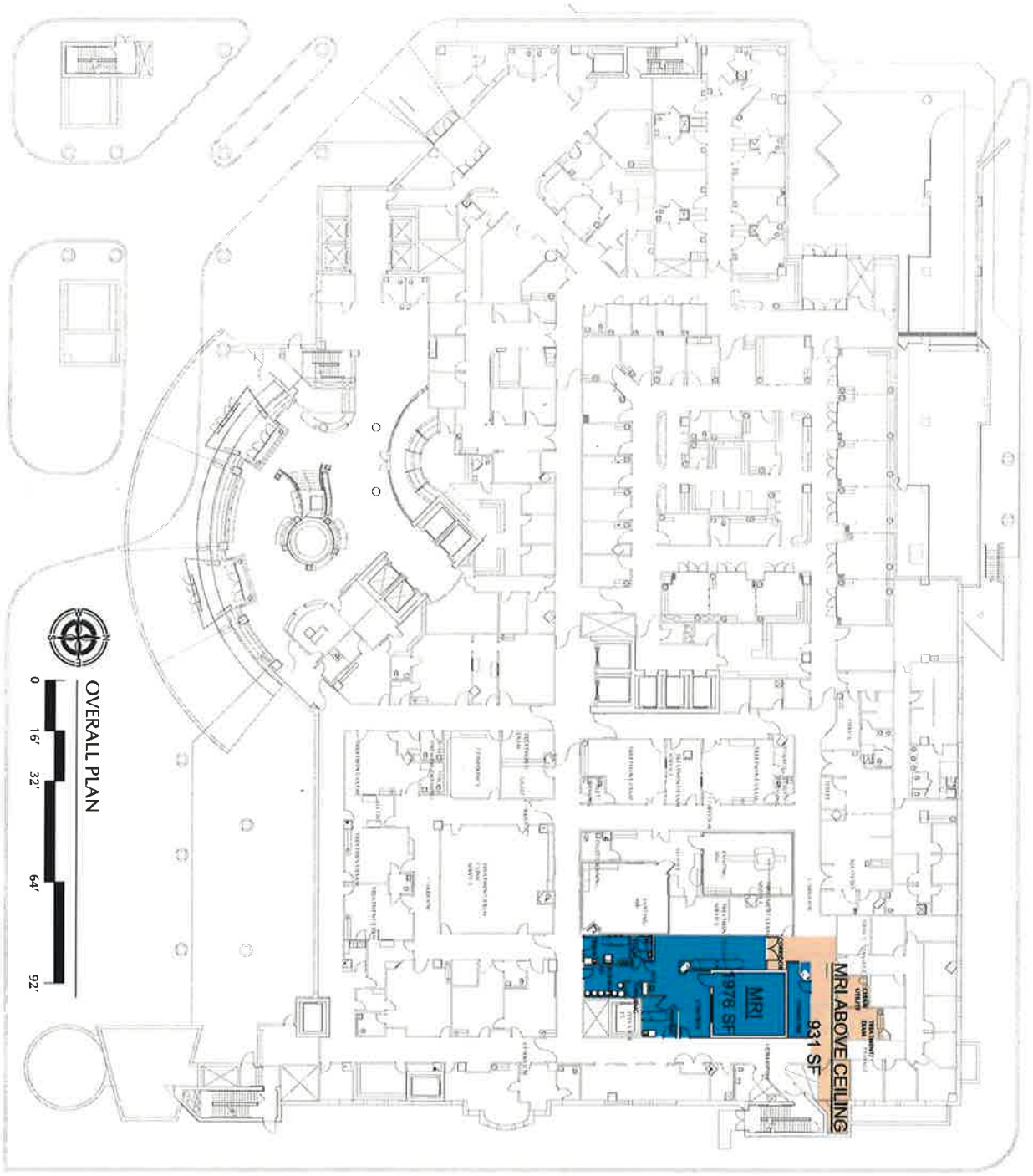




Office of Space and Facilities Planning
3319 West End Avenue, Suite 200
Nashville, TN 37203-1050 (internal 8580)
Phone: 615.875.9479
Fax: 615.343.8388

Attachment A.6B.2

Floor Plan



MONROE CARELL JR. CHILDREN'S HOSPITAL
MEDICAL IMAGING RENOVATION
2200 CHILDREN'S WAY - NASHVILLE, TN. 37232

GTG# 37008

GOULD TURNER GROUP
Architects · Planners · Interiors

GOULD TURNER GROUP, P.C.
ARCHITECTURE
4400 HARDING ROAD, SUITE 1000
NASHVILLE, TENNESSEE 37205

REVISIONS:

DATE:
04/25/2017

Attachment A.13B

Equipment Lease

PHILIPS

Philips Medical Capital

April 24, 2017

Vanderbilt Children's Hospital
2200 Childrens Way
Nashville, TN 37232

We appreciate the opportunity to submit this Philips Medical Capital equipment-financing proposal. This proposal is for a lease to finance Philips Healthcare MRI. If you have any questions or require further information, please feel free to contact Mike Stelacio (610) 386 3430.

The following is a proposal for financing for the customer named herein ("Customer") regarding the equipment described herein ("Equipment") by Philips Medical Capital, LLC ("PMC") for discussion purposes only. This Letter is an indication of interest regarding a possible financing transaction on the general terms and conditions outlined herein and should not be construed as a commitment.

DATE: April 24, 2017

LESSOR: Philips Medical Capital, LLC

CUSTOMER: Vanderbilt Children's Hospital

STRUCTURE AND PAYMENTS:

Fair Market Value Payment Options **One (1) Ingenia 3.0T MRI** **Quote # 1-1L3II9L-5** **Equipment Cost: $2,396,312.40**	
44 Month FMV 44 Monthly Payments of $47,550.19	**60 Month FMV** 60 Monthly Payments of $37,814.84

- *Taxes not included in monthly payment*
- *Assumes all trade-in's are free and clear of any liens or encumbrances*

LEASE DEPOSIT: No lease deposit required.

COMMENCEMENT The lease start date will begin upon acceptance or availability of first clinical use, whichever occurs first. If the lease commencement date does not fall on the first of the month, interim rent will be assessed for the period between the lease commencement date and the start of the billing cycle.

END-OF-TERM OPTIONS: **FAIR MARKET VALUE** Lessee shall have the option to a) purchase all, but not less than all of the Equipment at its then fair market value, or b) Renew the lease at its then fair

rental value for period not to exceed 24 Months c) Return the Equipment to the PMC or d) convert to 24 Month $ 1 Purchase Option, after which title will be transferred to lessee.

RENTAL ADJUSTMENT: The monthly indicative Rental Factor shall be increased or decreased on or prior to the Lease Commencement Date for any change in the three (3) year SWAP RATE ("SR") as follows: The indicative Rental Factor is based on the above SR with a yield of ***1.65%*** on ***April 20, 2017***. The Rental Factor will then be adjusted, upwards or downwards, directly to any change to the equivalent SR for the yield on the date Lessor prepares the Equipment lease schedule. Should Lessee not return the completed Equipment lease schedule within ***45*** days of Lessor's lease schedule preparation Lessor has the right to readjust the Rental Factor to the then current SR.

NET LEASE: Lessee will, at its own expense, provide insurance and will pay all fees, property, sales and use taxes and other expenses of a similar nature.

INFORMATION REQUIRED:

- Last two years of Audited Financial Statements.
- Signed lease proposal and equipment quotation.

QUOTE EXPIRATION: This Letter is valid for 45 days from the date hereof and thereafter shall automatically be deemed to be null and void.

This proposal is: (a) subject to review and approval by PMC's credit committees; (b) delivered to Lessee on the condition that its terms be kept confidential and not shown to, or discussed with, any third party (other than on a confidential and need-to-know basis with Lessee's directors, officers, counsel and other advisors, or as required by law) without Philips Medical Capital's express prior written approval; and (c) governed and construed in accordance with the internal laws of the Commonwealth of Pennsylvania. Lessee and PMC agree to: (a) the exclusive jurisdiction of the state and federal courts located in Philadelphia County, Pennsylvania with respect to any dispute arising out of or relating to this proposal and (b) waive any right to trial by jury that either of them may have arising out of or relating to this proposal.

Either PMC or Customer may terminate discussions at any time in its sole discretion. If made, an approval by PMC would be in a separate writing and would be subject to legal and business due diligence and credit review, with results satisfactory to PMC, in its sole discretion. Customer acknowledges that the terms of the financing (if approved) may change before final documentation is executed by the parties. No financing terms will be binding on either party until definitive documentation is signed by Customer and PMC. This Letter is not a statement of all terms and conditions of the financing, which terms and conditions would be contained fully in final documentation and would supersede the terms of this Letter. This Letter is intended for the use of the Customer only, and no other party may rely upon or derive any legal rights from this Letter. Customer agrees to keep this Letter and its terms confidential and not to disclose same to any third parties (other than its professional advisors and employees on a need-to-know basis) without PMC's prior written consent.

By signing below, Lessee hereby authorizes the release of any credit or financial information to PMC and its agents and assigns.

The terms and conditions of this Proposal are hereby agreed to and accepted this _____ day of _____, 2017.

Vanderbilt Children's Hospital

By: _____

Title: _____

Attachment A.13F
and
Attachment B.Need.1.Magnetic Resource Imaging.7a

FDA Equipment Approval

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Food and Drug Administration
10903 New Hampshire Avenue
Document Control Center - WO66-G609
Silver Spring, MD 20993-0002

January 6, 2017

Philips Medical Systems Nederland B.v.
Ruojuan Zhang
Regulatory Affairs Engineer
Veenpluis 4-6
Best, 5684 PC NL

Re: k162931
Trade/Device Name: Ingenia 1.5T Cx and Ingenia 3.0T Cx R5.3
Regulation Number: 21 CFR 892.1000
Regulation Name: Magnetic Resonance Diagnostic Device
Regulatory Class: Class II
Product Code: LNH, LNI
Dated: October 17, 2016
Received: October 19, 2016

Dear Ruojuan Zhang:

We have reviewed your Section 510(k) premarket notification of intent to market the device referenced above and have determined the device is substantially equivalent (for the indications for use stated in the enclosure) to legally marketed predicate devices marketed in interstate commerce prior to May 28, 1976, the enactment date of the Medical Device Amendments, or to devices that have been reclassified in accordance with the provisions of the Federal Food, Drug, and Cosmetic Act (Act) that do not require approval of a premarket approval application (PMA). You may, therefore, market the device, subject to the general controls provisions of the Act. The general controls provisions of the Act include requirements for annual registration, listing of devices, good manufacturing practice, labeling, and prohibitions against misbranding and adulteration. Please note: CDRH does not evaluate information related to contract liability warranties. We remind you, however, that device labeling must be truthful and not misleading.

If your device is classified (see above) into either class II (Special Controls) or class III (PMA), it may be subject to additional controls. Existing major regulations affecting your device can be found in the Code of Federal Regulations, Title 21, Parts 800 to 898. In addition, FDA may publish further announcements concerning your device in the Federal Register.

Please be advised that FDA's issuance of a substantial equivalence determination does not mean that FDA has made a determination that your device complies with other requirements of the Act or any Federal statutes and regulations administered by other Federal agencies. You must comply with all the Act's requirements, including, but not limited to: registration and listing (21 CFR Part 807); labeling (21 CFR Part 801); medical device reporting (reporting of medical device-related adverse events) (21 CFR 803); good manufacturing practice requirements as set forth in the quality systems (QS) regulation (21 CFR Part 820); and if applicable, the electronic product radiation control provisions (Sections 531-542 of the Act); 21 CFR 1000-1050.

If you desire specific advice for your device on our labeling regulation (21 CFR Part 801), please contact the Division of Industry and Consumer Education at its toll-free number (800) 638-2041 or (301) 796-7100 or at its Internet address http://www.fda.gov/MedicalDevices/ResourcesforYou/Industry/default.htm. Also, please note the regulation entitled, "Misbranding by reference to premarket notification" (21 CFR Part 807.97). For questions regarding the reporting of adverse events under the MDR regulation (21 CFR Part 803), please go to http://www.fda.gov/MedicalDevices/Safety/ReportaProblem/default.htm for the CDRH's Office of Surveillance and Biometrics/Division of Postmarket Surveillance.

You may obtain other general information on your responsibilities under the Act from the Division of Industry and Consumer Education at its toll-free number (800) 638-2041 or (301) 796-7100 or at its Internet address http://www.fda.gov/MedicalDevices/ResourcesforYou/Industry/default.htm.

Sincerely,

For

Robert A. Ochs, Ph.D.
Director
Division of Radiological Health
Office of In Vitro Diagnostics
and Radiological Health
Center for Devices and Radiological Health

Enclosure

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Food and Drug Administration

Indications for Use

Form Approved: OMB No. 0910-0120
Expiration Date: January 31, 2017
See PRA Statement below.

510(k) Number *(if known)*
K162931

Device Name
Ingenia 1.5T CX and Ingenia 3.0T CX R5.3

Indications for Use *(Describe)*
This system is a Magnetic Resonance Medical Electrical Systems indicated for use as a diagnostic device. The system can produce cross-sectional images, spectroscopic images and/or spectra in any orientation of the internal structure of the head, body or extremities.

Magnetic Resonance images represent the spatial distribution of protons or other nuclei with spin. Image appearance is determined by many different physical properties of the tissue and the anatomy, and the MR scan technique applied. The image acquisition process can be synchronized with the patient's breathing or cardiac cycle. The systems can use combinations of images to produce physical parameters, and related derived images.

Images, spectra, and measurements of physical parameters, when interpreted by a trained physician, provide information that may assist the diagnosis and therapy planning. The accuracy of determined physical parameters depends on system and scan parameters, and must be controlled and validated by the clinical user. The use of contrast agents for diagnostic imaging applications should be performed consistent with the approved labeling for the contrast agent.

In addition the Philips MR systems provide imaging capabilities, such as MR fluoroscopy, to guide and evaluate interventional and minimally invasive procedures in the head, body and extremities.

MR Interventional procedures, performed inside or adjacent to the Philips MR system, must be performed with MR Conditional or MR Safe instrumentation as selected and evaluated by the clinical user for use with the specific MR system configuration in the hospital. The appropriateness and use of information from a Philips MR system for a specific interventional procedure and specific MR system configuration must be validated by the clinical user.

Type of Use *(Select one or both, as applicable)*

☒ Prescription Use (Part 21 CFR 801 Subpart D) ☐ Over-The-Counter Use (21 CFR 801 Subpart C)

CONTINUE ON A SEPARATE PAGE IF NEEDED.

This section applies only to requirements of the Paperwork Reduction Act of 1995.

DO NOT SEND YOUR COMPLETED FORM TO THE PRA STAFF EMAIL ADDRESS BELOW.

The burden time for this collection of information is estimated to average 79 hours per response, including the time to review instructions, search existing data sources, gather and maintain the data needed and complete and review the collection of information. Send comments regarding this burden estimate or any other aspect of this information collection, including suggestions for reducing this burden, to:

Department of Health and Human Services
Food and Drug Administration
Office of Chief Information Officer
Paperwork Reduction Act (PRA) Staff
PRAStaff@fda.hhs.gov

"An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB number."

510(k) Summary k162931

510(k) Summary of Safety and Effectiveness

This 510(k) summary of safety and effectiveness information is prepared in accordance with 21 CFR §807.92.

Date Prepared:	October 17, 2016	
Manufacturer:	Philips Medical Systems Nederland B.V. Veenpluis 4-6, 5684 PC, Best, The Netherlands Establishment Registration Number: 3003768277	
Primary Contact Person: **Secondary Contact Person**	Ruojuan Zhang Regulatory Affairs engineer Phone: +31 631685825 E-mail: ruojuan.zhang@philips.com Henrie Daniels Regulatory Affairs Engineer Phone: +31 40 2762192 E-mail: henrie.daniels@philips.com	
Device Name:	**Ingenia 1.5T CX and Ingenia 3.0T CX R5.3**	
Classification:	Classification Name:	Magnetic Resonance Diagnostic Device (MRDD)
	Classification Regulation:	21CFR §892.1000
	Classification Panel:	Radiology
	Device Class:	Class II
	Primary Product code:	90LNH 90LNI
Primary Predicate Device:	Trade Name:	ACHIEVA, INTERA AND PANORAMA 1.0T, RELEASE 2.5
	Manufacturer:	Philips Medical Systems Nederland B.V.
	510(k) Clearance:	K063559 (01/04/2007)
	Classification Regulation:	21 CFR, Part 892.1000
	Classification Name:	Magnetic Resonance Diagnostic Device (MRDD)
	Classification Panel:	Radiology
	Device Class:	Class II
	Product Code:	90LNH 90LNI

Reference Device:	Trade Name:	Ingenia 1.5T and Ingenia 1.5T S R5.2
	Manufacturer:	Philips Medical Systems Nederland B.V.
	510(k) Clearance:	K153324 (03/22/2016)
	Classification Regulation:	21 CFR, Part 892.1000
	Classification Name:	Magnetic Resonance Diagnostic Device (MRDD)
	Classification Panel:	Radiology
	Device Class:	Class II
	Product Code:	90LNH 90LNI
Reference Device:	Trade Name:	ACHIEVA R4 1.5T AND ACHIEVA R4 3.0T(aka Ingenia)
	Manufacturer:	Philips Medical Systems Nederland B.V.
	510(k) Clearance:	K110151 (03/22/2011)
	Classification Regulation:	21 CFR, Part 892.1000
	Classification Name:	Magnetic Resonance Diagnostic Device (MRDD)
	Classification Panel:	Radiology
	Device Class:	Class II
	Product Code:	90LNH 90LNI
Device description:	The proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features are provided with a 60 cm magnet. The system and its control software are substantially equivalent to the currently marketed and primary predicate device Achieva R2.5 (K063559, 01/04/2007), enhanced by the digital receive coil architecture as in the currently marketed and reference device Ingenia R4 (K110151, 03/22/2011). ScanWise Implant functionality enables MR technologists to implement an improved and controlled workflow for MR Conditional implants. The feature consists of an extension to the Patient Registration User Interface where the information relevant to MR Conditional device labeling can be assessed, controlled and reviewed. The ScanWise Implant feature allows the user at the examination level to define restrictions on the 'active fields' generated by the MR system. 3D ASL functionality enables MR technologists to assess perfusion in the brain without the usage of contrast agents. The feature	

	consists of an extension to the available scan sequences and image reconstruction algorithms. The proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features also consolidate separately-cleared novel functionalities, and minor changes since the clearance of the currently marketed and predicate device, Achieva R2.5 (K063559, 01/04/2007). Following minor changes are covered in this submission: 1. Enhanced Patient Communication User Interface Module, IEC/ISO compliant symbols. 2. New computing platform and peripherals for MR Spectrometer (DDAS). 3. MultiTransmit 4. dStream architecture implementation and commercialize system name as Ingenia CX 5. Planning on cine images. 6. SAR related parameters (SED). Pregnancy status related to Normal Mode. 7. SED limit 8. Parameter optimization for the reconstruction algorithms. 9. Partial NSA algorithm in reconstruction. 10. AutoVoice, using pre-recorded spoken instructions. 11. VCG, optimized electrode placement and enhanced algorithm. 12. ComforTone: mechanical resonance frequency dependent timing adjustments of sequences for lower acoustic noise. 13. Enhanced sequences: a. LIPO b. Black Blood Imaging c. 4D TRAK XD d. Zoom Diffusion Imaging e. 3D Vane XD f. 4D TRANCE g. 3D NerveVIEW h. Fast B1 Mapping and B1 Shading filter i. AutoSpair. j. TSE flow compensation enhancement k. Optimized 3D TSE flip angle sweeps per anatomy l. ENCASE: 3D encoding m. CardiacQuant: triggered T1 mapping sequence n. pCASL o. DTI enhancements p. QA Tool and fMRI stability

Indications for Use:	This system is a Magnetic Resonance Medical Electrical Systems indicated for use as a diagnostic device. The system can produce cross-sectional images, spectroscopic images and/or spectra in any orientation of the internal structure of the head, body or extremities. Magnetic Resonance images represent the spatial distribution of protons or other nuclei with spin. Image appearance is determined by many different physical properties of the tissue and the anatomy, and the MR scan technique applied. The image acquisition process can be synchronized with the patient's breathing or cardiac cycle. The systems can use combinations of images to produce physical parameters, and related derived images. Images, spectra, and measurements of physical parameters, when interpreted by a trained physician, provide information that may assist the diagnosis and therapy planning. The accuracy of determined physical parameters depends on system and scan parameters, and must be controlled and validated by the clinical user. The use of contrast agents for diagnostic imaging applications should be performed consistent with the approved labeling for the contrast agent. In addition the Philips MR systems provide imaging capabilities, such as MR fluoroscopy, to guide and evaluate interventional and minimally invasive procedures in the head, body and extremities. MR Interventional procedures, performed inside or adjacent to the Philips MR system, must be performed with MR Conditional or MR Safe instrumentation as selected and evaluated by the clinical user for use with the specific MR system configuration in the hospital. The appropriateness and use of information from a Philips MR system for a specific interventional procedure and specific MR system configuration must be validated by the clinical user.
Fundamental Scientific Technology:	The proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features are based on the principle that certain atomic nuclei present in the human body will emit a weak relaxation signal when placed in a strong magnetic field and excited by a radio signal at the precession frequency. The emitted relaxation signals are analyzed by the system and a computed image reconstruction is displayed on a video screen. The principal technological components (magnet, transmit body coil, gradient coil, receive coils and patient support) of the proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features are identical to those used in the

	currently marketed and primary predicate device Achieva R2.5 (K063559, 01/04/2007) and reference device Ingenia R4(k110151, 03/22/2011) ScanWise Implant uses existing safety mechanisms to protect the patient against excessive RF exposures. This includes Whole Body and Head SAR, local SAR and B1+rms controls and Gradient Slew Rate. No modifications relative to the implementation of safety mechanisms relative to the predicate device was required. ScanWise Implant extends existing software safety provisions to prevent peripheral nerve stimulation. In previous products, dB/dt was evaluated (at the compliance volume defined in IEC60601-2-33) and displayed for informational purposes. In this software, dB/dt is controlled not to exceed a user-specified value. 3D ASL is an extension to the previously cleared pCASL functionality (K153324). 3D ASL allows the user to perform ASL perfusion studies according to international recommendation which includes 3D acquisition Based on the information provided above, the proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features are considered substantially equivalent to the currently marketed and primary predicate device Achieva R2.5(K063559, 01/04/2007) in terms of fundamental scientific technology.
Summary of Non-Clinical Performance Data:	The proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features comply with the following international and FDA-recognized consensus standards: • IEC60601-1 Edition 3 Amendment 1 • IEC60601-1-2 Edition 3 • IEC60601-1-6 Edition 3 / IEC62366 • IEC60601-1-8 Edition 2 • IEC60601-2-33 Edition 3 Amendment 1 • IEC 62304 • NEMA MS-1 2008 • NEMA MS-4 2008 • NEMA MS-8 2008 • NEMA PS 3.1-PS 3.20 - [DICOM] • ISO 14971 Application of risk management to medical devices (2007)

	• Device specific guidance document, entitled "Guidance for the Submission Of Premarket Notifications for Magnetic Resonance Diagnostic Devices – November 14, 1998" Non-Clinical verification and or validation tests have been performed with regards to the intended use, the technical claims, the requirement specifications and the risk management results. Specifically for ScanWise Implant, Human Factors Engineering testing was performed in line with FDA's guidance document entitled "Applying Human Factors and Usability Engineering to Optimize Medical Device Design - June 22, 2011". The verification and or validation test results, combined with sample clinical images demonstrate that the proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features: • Complies with the aforementioned international and FDA-recognized consensus standards and Device specific guidance document, entitled "Guidance for the Submission Of Premarket Notifications for Magnetic Resonance Diagnostic Devices – November 14, 1998" • Meets the acceptance criteria and is adequate for its intended use. Therefore, the proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features are substantially equivalent to the currently marketed and primary predicate device Achieva R2.5 (K063559, 01/04/2007) in terms of safety and effectiveness.
Summary of Clinical Data:	The proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features did not require clinical study since substantial equivalence to the primary currently marketed and predicate device was demonstrated with the following attributes: • Design features; • Indication for use; • Fundamental scientific technology; • Non-clinical performance testing; and • Safety and effectiveness.
Substantial Equivalence Conclusion:	The proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features and the currently marketed and primary predicate device Achieva R2.5 (K063559, 01/04/2007) enhanced by the digital receive coil architecture from the currently

	marketed and reference device Ingenia R4 (K110151, 03/22/2011), have the same indications for use with respect to the following: • Providing cross-sectional images based on the magnetic resonance phenomenon • Interpretation of the images is the responsibility of trained physicians • Images can be used for interventional and treatment planning purposes The proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features are substantially equivalent to the currently marketed and primary predicate device Achieva R2.5 (K063559, 01/04/2007) in terms of design features, fundamental scientific technology, indications for use, and safety and effectiveness. Additionally, substantial equivalence was demonstrated with non-clinical performance (verification and validation) tests, which complied with the requirements specified in the international and FDA-recognized consensus standards and device-specific guidance. The results of these tests demonstrate that the proposed **Ingenia 1.5T CX and Ingenia 3.0T CX R5.3** with ScanWise Implant and 3D ASL features meet the acceptance criteria and is adequate for its intended use.

Attachment B.Need.1.Magnetic Resource Imaging.7f

ACR Accreditation

ACR®
AMERICAN COLLEGE OF RADIOLOGY

American College of Radiology

Magnetic Resonance Imaging Services of

Monroe Carell, Jr. Children's Hospital at Vanderbilt

2200 Childrens Way
Suite 1418
Nashville, Tennessee 37232

were surveyed by the
Committee on MRI Accreditation of the
Commission on Quality and Safety

The following magnet was approved

Philips INTERA ACHIEVA 2008

For

Head, Spine, Body, MSK, MRA

Accredited from:

July 10, 2014 through July 18, 2017

Anthony J. Seibert, M.D.

CHAIRMAN, COMMITTEE ON MRI ACCREDITATION

Paul H. Ellenbogen, M.D.

PRESIDENT, AMERICAN COLLEGE OF RADIOLOGY

MRAP# 04424-02

ACR®
AMERICAN COLLEGE OF RADIOLOGY

American College of Radiology

Magnetic Resonance Imaging Services of

Monroe Carell, Jr. Children's Hospital at Vanderbilt

2200 Childrens Way
Suite 1418
Nashville, Tennessee 37232

were surveyed by the
Committee on MRI Accreditation of the
Commission on Quality and Safety

The following magnet was approved

Philips INTERA 1.5 2003

For

Head, Spine, Body, MSK, MRA, Cardiac

Accredited from:

July 03, 2014 through July 18, 2017

Anthony J. Seeley, M.D.

CHAIRMAN, COMMITTEE ON MRI ACCREDITATION

Paul H. Ellenbogen, M.D.

PRESIDENT, AMERICAN COLLEGE OF RADIOLOGY

MRAP# 04424-01

Attachment C. Economic Feasibility.2

Funding Documentation

VANDERBILT UNIVERSITY MEDICAL CENTER

Cecelia B. Moore
Chief Financial Officer and Treasurer
VUMC Finance

May 1, 2017

Ms. Melanie M. Hill
Executive Director
Tennessee Health Services & Development Agency
Andrew Jackson Building
9th Floor
502 Deaderick St.
Nashville, TN 37243

Dear Ms. Hill:

This letter will confirm that Vanderbilt University Medical Center has resources sufficient to fund the project described in this Certificate of Need application. Funding of the project will be provided through a lease of the equipment and cash reserves as detailed in the application.

As evidence of Vanderbilt's ability to provide the necessary capital, the following information is offered.

1. As of June 30, 2016 (date of our most recent audit), Vanderbilt University Medical Center held unrestricted cash and unrestricted investments with a fair market value of $673 million.
2. Vanderbilt University Medical Center has an investment grade credit rating of A3 from Moody's Investor Service.

Sincerely,

Cecelia B. Moore
Chief Financial Officer and Treasurer
Vanderbilt University Medical Center

1161 21st Avenue South
D-3300 MCN
Nashville, TN 37232-2104

tel 615.322.0084
fax 615.343.7286
finance.mc.vanderbilt.edu

Attachment C.Economic Feasibility.6

Financial Statements

Financial Statements – Vanderbilt University Medical Center

CONSOLIDATED STATEMENT OF OPERATIONS
FROM INCEPTION THROUGH THE TWO MONTHS ENDED JUNE 30, 2016 (UNAUDITED)

The consolidated statement of revenues and expenses from inception through the two months ended June 30, 2016 is as follows:

	(in thousands)
Operating Revenue	
Net patient service revenue, net of provision for bad debts	$ 534,934
Academic and research revenue	61,567
Other operating revenue	27,921
Total operating revenue	624,422
Operating Expenses	
Salaries, wages and benefits	312,929
Supplies and drugs	116,214
Facilities and equipment	45,365
Purchased services and other expense	93,703
Depreciation and amortization expense	14,280
Interest	9,343
Total operating expenses	591,834
Income from operations	32,588
Nonoperating Revenue & Expenses	
Income from investments	1,997
Gift income	1,215
Earnings of unconsolidated organizations	767
Unrealized loss from interest rate swap	(9,568)
Total nonoperating revenue & expenses	(5,589)
Excess of revenues over expenses	$ 26,999

Income from operations and excess of revenues over expenses were $32.6 million and $27.0 million, respectively, for the two months ended June 30, 2016. Additionally, earnings before interest, depreciation and amortization ("EBIDA"), as defined above, totaled $50.6 million for the same period.

Revenues

Operating revenues totaled approximately $624.4 million for the two months ended June 30, 2016. Net patient service revenue, net of bad debts totaled $534.9 million representing 85.7% of operating revenue. VUMC inpatient discharges exceeded 10,000 for the two month period ended June 30, 2016. Over the same period, surgical cases (inpatient and outpatient) were 3,831 and 6,023, respectively. VUMC's inpatient acuity, measured by case mix index ("*CMI*") for Medicare patients and in total was 2.33 and 2.20, respectively, in the two months ended June 30, 2016. During the two months ended June 30, 2016, ambulatory visits at the VUMC totaled 362,890, including visits from VHS joint ventures.

Expenses

Operating expense totaled approximately $591.8 million for the two months ended June 30, 2016 representing 94.8% of total revenue. Salaries, wages and benefits totaled approximately $312.9 million and representing 50.1% of total operating revenue. Supplies and drugs totaled approximately $116.2 million representing 18.6% of total operating revenue. Purchased services totaled approximately $93.7 million representing 15.0% of total operating revenue. The remaining $69.0 million in operating expenses represented facilities and equipment, depreciation and amortization, and interest.

Non-Operating

The Non-Operating loss for the period was primarily driven by a $9.6 million loss related to the interest rate swap mark to market adjustment. This loss was partially offset by investment income (including unrealized), gift income and the results of VUMC's unconsolidated equity method investments.

Balance Sheet / Cash Flow

Cash and cash equivalents totaled approximately $603 million at June 30, 2016. The primary drivers of the increase in cash was the issuance of approximately $1.1 million of debt net of the cost to acquire the assets of the Medical Center of approximately $601 million (a total increase to cash of $529 million), excess revenues over expenses before depreciation and amortization for the two months ended June 30, 2016 of $41.3 million (excess revenue over expense of $27 million plus depreciation and amortization of $14.3 million) and an increase in cash of $105 million related to an increase in accrued compensation. These increases were partially offset by capital expenditures of $22.3 million and investment purchases of $76 million.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
FROM INCEPTION THROUGH THE TWO MONTHS ENDED JUNE 30, 2016 (UNAUDITED)

The consolidated statement of changes in net assets from inception through the two months ended June 30, 2016 is as follows:

	(in thousands)
Changes in Unrestricted Net Assets	
Excess of Revenue over Expenses	$ 26,999
Inherent Contribution	476,895
Total Changes in Unrestricted Net Assets	503,894
Changes in Temporarily Restricted Net Assets	
Inherent Contribution	25,360
Contributions	3,392
Net Assets Released From Restrictions	(1,768)
Total Changes in Temporarily Restricted Net Assets	26,985
Changes in Permanently Restricted Net Assets	
Inherent Contribution	6,761
Appreciation of Permanently Restricted Assets	8
Total Changes in Permanently Restricted Net Assets	6,769
Total Changes in Net Assets	$ 537,648

CONSOLIDATED STATEMENT OF CASH FLOWS
FROM INCEPTION THROUGH THE TWO MONTHS ENDED JUNE 30, 2016 (UNAUDITED)

The consolidated statement of cash flows from inception through the two months ended June 30, 2016 is as follows:

	(in thousands)
Cash flows from operating activites:	
Total change in net assets	$ 537,648
Adjustments to reconcile increase in net assets to net cash provided by operating activites:	
Inherent contribution	(509,016)
Provision for bad debts	20,218
Unrealized loss from interest rate swap	9,568
Depreciation and Amortization	14,280
Gain on equity method investee	(767)
Net unrealized gain on investments	(2,230)
Increase (decrease) in cash due to changes in :	
Patient accounts receivable	(7,848)
Other receivables	(54,374)
Inventory	1,760
Prepaid expenses and other assets	(28,177)
Accounts payable and accrued expense	27,701
Bank overdrafts	13,846
Est net receivables and payables - third party	(8,598)
Accrued compensation and benefits	105,670
Other liabilities	7,387
Net cash provided by operating activities:	127,068
Cash flows from investing activities:	
Acquisition of Medical Center, net of cash received	(600,971)
Purchase of property, plant and equipment	(22,551)
Purchase of investments	(76,018)
Net cash used in investing activities	(699,540)
Cash flows from financing activities:	
Principal payments on long-term debt	(833)
Proceeds from the issuance of long-term debt	1,176,389
Net cash provided by financing activities	1,175,556
Net change in cash and cash equivalents	603,084
Cash and cash equivalents at inception	-
Cash and cash equivalents at June 30, 2016	$ 603,084

Vanderbilt University Medical Center

Consolidated Balance Sheet
June 30, 2016

Vanderbilt University Medical Center
Index
June 30, 2016

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Independent Auditor's Report

To the Board of Directors of
Vanderbilt University Medical Center

We have audited the accompanying consolidated balance sheet of Vanderbilt University Medical Center (the "Company") as of June 30, 2016.

Management's Responsibility for the Balance Sheet

Management is responsible for the preparation and fair presentation of the consolidated balance sheet in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a consolidated balance sheet that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated balance sheet based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated balance sheet is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated balance sheet. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated balance sheet, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the consolidated balance sheet in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated balance sheet. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated balance sheet presents fairly, in all material respects, the financial position of Vanderbilt University Medical Center at June 30, 2016 in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

Nashville, Tennessee
November 4, 2016

PricewaterhouseCoopers LLP, 150 3rd Avenue South, Suite 1400, Nashville, TN 37201
T: (615) 503 2860, F: (615) 503 2870, www.pwc.com/us

Vanderbilt University Medical Center
Consolidated Balance Sheet
June 30, 2016

(in thousands)

Assets	
Current	
Cash and cash equivalents	$ 603,084
Patient accounts receivable, net of allowance for bad debts of approximately $20,218	343,241
Estimated receivables under third-party programs	9,123
Current pledge receivable, net	6,070
Grants and contracts receivable, net	60,943
Inventories	61,925
Prepaid expenses	8,553
Other current assets	72,397
Total current assets	1,165,336
Noncurrent investments limited as to use	190,366
Noncurrent pledge receivable, net	7,663
Equity in unconsolidated organizations	19,028
Property, plant, and equipment, net	1,130,116
Other noncurrent assets	6,475
Total assets	$ 2,518,984
Liabilities and Net Assets	
Current	
Current installments of long-term debt	$ 5,000
Accounts payable and other accrued expenses	215,302
Bank overdrafts	13,846
Estimated payables under third-party programs	30,990
Accrued compensation and benefits	200,110
Current portion of deferred revenue	38,345
Current portion of self-insurance reserves and claims	20,657
Total current liabilities	524,250
Noncurrent portion of deferred revenue	6,268
Noncurrent portion of self-insurance reserves and claims	67,319
Fair value of interest rate exchange agreements	89,536
Long-term debt, net of current installments	1,286,063
Other noncurrent liabilities	2,373
Total liabilities	1,975,809
Net assets	
Unrestricted net assets controlled by Vanderbilt University Medical Center	503,894
Unrestricted net assets related to noncontrolling interests	5,527
Total unrestricted net assets	509,421
Temporarily restricted net assets	26,985
Permanently restricted net assets	6,769
Total net assets	543,175
Total liabilities and net assets	$ 2,518,984

The accompanying notes are an integral part of this consolidated balance sheet.

1. Description of Organization

Vanderbilt University Medical Center ("VUMC") is a Tennessee not-for-profit corporation incorporated in March of 2015 for the purpose of operating an academic medical center and a comprehensive research, teaching, and patient care health system in the state of Tennessee (the "Medical Center"). Previously, the Medical Center operated as a unit within Vanderbilt University ("the University" or "VU"), as a part of the University's administrative structure, with the same governing board, legal, financial and other shared services.

VUMC began operations following the closing of the sale of the Medical Center by the University on April 29, 2016. VUMC owns and operates the three hospitals primarily located on the main campus of the University in Nashville, TN.: Vanderbilt University Adult Hospital ("VUAH"), Monroe Carell Junior Children's Hospital at Vanderbilt ("MCJCH") and Vanderbilt Psychiatric Hospital ("VPH"). In addition, VUMC partially owns Vanderbilt Stallworth Rehabilitation Hospital ("*VSRH*"), also located on the main campus of the University, a joint venture with HealthSouth Corp. in which VUMC holds a 50% interest. Vanderbilt Health Services, LLC, (VHS) is currently a participant in the VSRH joint venture. VUAH, the Children's Hospital and VPH are licensed for 1,025 beds and VSRH is licensed for 80 beds.

VUMC consists of two major operating divisions and an administrative overhead division. The operating divisions include the Clinical Enterprise and Academic Enterprise divisions. The administrative overhead division is referred to as Medical Center Administration ("MCA").

The Clinical Enterprise division includes the professional clinical practice revenues and related expenses (the Vanderbilt Medical Group or "VMG"), and technical revenues and associated expenses for operation of VUMC's hospitals and clinic facilities, including VUAH, MCJCH and VPH. The Clinical Enterprise also includes VHS.

VUAH is a quaternary care teaching hospital licensed for 670 acute care and specialty beds. VUAH, a Level I trauma center, provides advanced patient care, and serves as a key site for medical education and clinical research conducted by physician faculty. VUAH includes a comprehensive burn center, the Vanderbilt Transplant Center, the Vanderbilt Heart and Vascular Institute, and Vanderbilt Ingram Cancer Center.

MCJCH is a pediatric quaternary care teaching hospital licensed for 171 acute and specialty beds, and 96 Neonatal Intensive Care beds. MCJCH is the region's only full-service pediatric hospital, with over 300 pediatric subspecialties. MCJCH serves as a site for medical education and clinical research conducted by pediatric physician faculty, houses the only Level IV neonatal intensive care center within the state of Tennessee, and is a regional referral center for extracorporeal membrane oxygenation (heart and lung failure).

VPH is a psychiatric hospital licensed for 88 beds, and provides both inpatient and outpatient partial hospitalization psychiatric services to both adult and adolescent patients.

VMG is the practice group of physicians and advanced practice nurses employed by VUMC who perform billable professional medical services. The VMG is not a separate legal entity. The VMG has a governing board which consists of the VUMC clinical service chiefs, who also serve clinical department chairs. Under the oversight of VUMC executive leadership, the VMG sets professional practice standards, bylaws, policies, and procedures for the administration of a group practice. VUMC bills for services rendered by the VMG clinicians in both inpatient and outpatient locations. Collected fees derive a component of each VMG clinician's compensation.

The VMG includes nationally recognized physicians whose expertise spans the spectrum from primary care to the most specialized quaternary discipline. The entire clinical faculty is "board certified" or eligible for board certification. All staff members are re-credentialed every two years by the National Committee for Quality Assurance standards. All specialties and subspecialties currently recognized by the various national specialty boards are represented on the clinical faculty.

VHS serves as a holding company for 13 health care related subsidiaries and joint ventures owned with various entities, including, but not limited to, VSRH and the Vanderbilt Health Affiliated Network (VHAN). VHS operations primarily consist of community physician practices, imaging services, outpatient surgery centers, radiation oncology centers, a home health care agency, a home infusion and respiratory service, an affiliated health network, and a rehabilitation hospital. These subsidiaries include clinics managed in multiple outpatient locations throughout middle Tennessee.

The Academic Enterprise division includes all clinically-related research, research-support activities and faculty endeavors supporting post-graduate training programs. A significant funding source for VUMC's research has historically been the federal government. Federal funding is received from the Department of Health and Human Services', the National Institutes of Health, the Department of Defense, NASA, and other federal agencies. Sponsored research awards, including multiple-year grants and contracts from government sources, foundations, associations, and corporations signify future research commitments. In addition, core activities supporting research including advanced computing and grant administration are included in this division.

The terms "Company", "VUMC", "we", "our" or "us" as used herein and unless otherwise stated or indicated by context, refer to Vanderbilt University Medical Center and its affiliates. The term "facilities" or "hospitals" refer to entities owned and operated by VUMC and its affiliates and the term "employees" refers to employees of VUMC and its affiliates.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated balance sheet of VUMC has been prepared on the accrual basis in accordance with U.S. generally accepted accounting principles (GAAP). Based on the existence or absence of donor-imposed restrictions, VUMC classifies resources into three categories: unrestricted, temporarily restricted, and permanently restricted net assets.

Unrestricted net assets are free of donor-imposed restrictions. This classification includes all revenues, gains and losses not temporarily or permanently restricted by donors. VUMC reports all expenditures in the unrestricted class of net assets, since the use of restricted contributions in accordance with donors' stipulations results in the release of the restriction.

Temporarily restricted net assets contain donor-imposed stipulations that expire with the passage of time or that can be satisfied by action of VUMC. These net assets may include unconditional pledges, split-interest agreements, interests in trusts held by others, and accumulated appreciation on donor-restricted endowments not yet appropriated by the Board of Directors for distribution.

Permanently restricted net assets are amounts held in perpetuity as requested by donors. These net assets may include unconditional pledges, donor-restricted endowments (at historical value), split-interest agreements, and interests in trusts held by others. Generally, the donors of these assets permit VUMC to use a portion of the income earned on related investments for specific purposes.

Use of Estimates
The preparation of a consolidated balance sheet in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated balance sheet. Actual results ultimately could differ from those estimates.

Principles of Consolidation
The consolidated balance sheet includes the accounts of all entities in which VUMC has a significant financial interest and over which VUMC has control. All significant intercompany accounts between the various entities have been eliminated. Noncontrolling interest in less-than-wholly owned consolidated subsidiaries of VUMC are presented as a component of net assets to distinguish between the interests of VUMC and the interests of the noncontrolling owners.

Cash and Cash Equivalents
Cash and cash equivalents are liquid assets with minimal interest rate risk and maturities of three months or less when purchased. VUMC invests operating assets in a diversified manner. At times, VUMC may have cash and cash equivalents at a financial institution in excess of federally insured limits. VUMC maintains certain cash balances within the noncurrent investments limited as to use caption in the consolidated balance sheet which are not included in the cash and cash equivalents section.

Patient Accounts Receivable, Net
Generally, VUMC provides services to patients in advance of receiving payment and does not require collateral or other security for those services. However, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under patients' health insurance programs, plans or policies (e.g., Medicare, Medicaid, TennCare, Blue Cross, and other commercial third party payors).

Federal healthcare programs such as Medicare, Medicaid, and TennCare (State of Tennessee managed care program for Medicaid-eligible patients) primarily reimburse VUMC for inpatient services based on a set rate per discharge adjusted for acuity of the patient based on the Medicare severity diagnostic related group system (MS-DRG). VUMC receives payment from federal healthcare programs on an outpatient per procedure basis as determined by the ambulatory payment classification system (APC). Benefits assigned to VUMC under patients' insurance policies are paid in accordance with VUMC's contract with the applicable third party payor and related insurance program which includes prospectively determined rates per discharge based on the MS-DRG, discounts from established charges, per diem rates and prospectively determined procedure rates as established in a payor fee schedule. Contractual adjustments are the difference between established charges and the amounts paid by the Federal healthcare program or third party payor.

Patient accounts receivable are reduced by an allowance for bad debts. In evaluating the collectability of accounts receivable, VUMC analyzes its past history and identifies trends for each of its major categories of revenue (technical, professional, and retail pharmacy) to estimate the appropriate allowance for bad debts and related provision. Management regularly reviews data about these major categories of revenue in evaluating the sufficiency of the allowance for bad debts. The allowance is based upon management's judgmental assessment of historical and expected net collections considering business and general economic conditions in its service area, trends in healthcare coverage, and other collection indicators. Throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon its review of accounts receivable payor composition and aging, taking into consideration recent write-off experience by payor category, payor agreement rate changes, and other factors. The results of these assessments are used to make modifications to the provision for bad debts and to establish an appropriate allowance for uncollectible accounts receivables. For third-party payors, the provision is determined by analyzing contractually due amounts from payors who are known to be having financial difficulties. For self-pay patients, the provision is based on an analysis of past experience related to patients unable to pay amounts owed. The difference between the standard rate charged (less the negotiated discounted rate) and the amount actually collected (after the reasonable collection efforts have been exhausted) are charged against the allowance for doubtful accounts. VUMC follows established guidelines, CMS regulations, and IRS Reg. §1.501(r)-6 for placing certain past-due patient balances with external collection agencies.

VUMC provides care to patients who meet the criteria under its financial assistance policy for no payment, or at payment amounts less than its established charge rates. VUMC does not report the charges that qualify as charity care as net revenue or net receivables because VUMC does not pursue collection of these amounts.

Estimated Receivables/Estimated Payables Under Third Party Programs
Certain services provided under federal healthcare programs or under VUMC's contracts with third party payors involve calculations of settlements for services in addition to patient payments. Federal health care programs provide cost-based reimbursement for services such as organ transplant acquisition and medical education for which final settlement is determined based on the programs' audits of annual cost reports submitted by VUMC. VUMC reports any differences between estimated year-end settlements and actual final settlements in the year final settlements are known. VUMC recorded all final Medicare settlements determined through June 30, 2010. VUMC expects final settlements relative to periods through June 30, 2012 to be completed during fiscal year 2017 and records provisions in the consolidated balance sheets for the effects of estimated final settlements on open years.

Certain contracts require pay for performance or episode of care settlements whereby VUMC receives additional payment or pays a penalty based on ability to achieve certain clinical measures or manage the cost of care for patients within various thresholds. VUMC estimates and accrues these adjustments in the period the related services are rendered, and adjusts these estimates in future periods as settlements are finalized. The aggregate liability associated with pay for performance and episode of care settlements at June 30, 2016 is less than $1.0 million with ultimate resolution of such financial arrangements not expected to have a material impact on the operating results of VUMC.

VUMC receives periodic interim payments (PIP Payments) bi-weekly from Medicare in lieu of individual payments for patient claims processed by VUMC's fiscal intermediary. PIP Payments received are offset against claims processed on a monthly basis with final settlement of amounts owed for a fiscal year included in the applicable Medicare cost report.

Concentrations of Credit Risk
The Company grants unsecured credit to its patients, most of who reside primarily in Nashville, Tennessee and the surrounding areas of middle Tennessee. In addition, most patients are insured under commercial, Medicare or Tenncare agreements. Medicare, Tenncare and Blue Cross Blue Shield ("BCBS") represent the only significant concentrations of credit risk from payors. We've defined a significant concentration to be those payors representing more than 10% of our total accounts receivable balance, net of allowance for bad debts. Accounts receivable, net of allowance for bad debt, relating to Medicare programs, Tenncare/Medicaid programs and BCBS were approximately $51.2 million, $51.8 million and $76.8 million representing 14.9%, 15.1% and 22.4%, respectively, of consolidated net accounts receivable as of June 30, 2016.

Pledges Receivable, Net
VUMC recognizes unconditional promises to give (pledges) as contribution revenue and a pledge receivable on the consolidated balance sheet upon receipt of a commitment from the donor. VUMC records pledges with payments due in future periods as increases in temporarily restricted or permanently restricted net assets at the estimated present value of future cash flows, net of an allowance for estimated uncollectible promises. VUMC calculates an allowance for uncollectible pledges receivable based upon an analysis of past collection experience and other judgmental factors.

VUMC records pledges with donor-imposed restrictions as unrestricted net assets if VUMC meets the restrictions and receives the contribution in the same reporting period. Otherwise, VUMC records contributions with donor-imposed restrictions as increases in temporarily restricted or permanently restricted net assets, depending upon the nature of the restriction.

After meeting donor stipulations, VUMC releases pledges recorded as temporarily restricted net assets and recognizes these contributions as unrestricted net assets. VUMC releases from restrictions pledges for plant facilities and recognizes these contributions as a change in other unrestricted net assets only after incurring expenses for the applicable plant facilities or when the related asset is placed in service based on donor intent.

In contrast to unconditional promises as described above, VUMC does not record conditional promises (primarily bequest intentions) until the donor contingencies are met.

Grants and Contracts Receivable
VUMC receives research funding (restricted funds) from departments and agencies of the U.S. government, industry and other foundation sponsors. Research grants and contracts receivable include amounts due from these sponsors of externally funded research. These amounts have been billed or are billable to the sponsor. These receivables are reported net of reserves for uncollectible accounts.

Other Current Assets
Other current assets consist primarily of receivables relating to agreements to utilize VUMC employed clinical faculty or other clinical professionals in other local healthcare facilities and other miscellaneous amounts relating to receivables and deposits on various contracts.

Inventories
VUMC reports inventories at the lower of cost or market, with cost being determined on the first-in, first-out method. Inventories consist primarily of medical supplies, implants, and pharmaceuticals.

Investments Limited as to Use
VUMC has investments in hedged equity and hedged debt funds as well as real estate and commodities funds. All investments in these asset classes at June 30, 2016 were in highly liquid mutual fund investment vehicles. VUMC reports investments held at fair value on the balance sheet.

Property, Plant, and Equipment, Net
VUMC records purchases of property, plant, and equipment at cost. VUMC capitalizes interest cost incurred on borrowed funds during the period of construction of capital assets as a component of the cost of acquiring those assets. VUMC capitalizes donated assets at fair value on the date of donation and expenses repairs and maintenance costs as incurred.

Capitalized software for internal use is recorded during the application development stage. These costs include: fees paid to third parties for direct costs of materials and services consumed in developing or obtaining the software; payroll related costs and capitalized interest costs. Costs for training and application maintenance in the post-implementation-operation stage are expensed as incurred.

VUMC computes depreciation using the straight-line method over the estimated useful life of land improvements (3 to 18 years), buildings and leasehold improvements (2 to 37 years) and equipment (1 to 20 years). Equipment costs also include capitalized internal-use software costs, which are expensed over the expected useful life, which is generally 1.5 to 4 years. VUMC assigns useful lives in accordance with American Hospital Association guidelines.

Software for internal use is amortized on a straight line basis over its estimated useful life. In determining the estimated useful life, management considers the effects of: obsolescence, technology, competition, other economic factors and rapid changes that may be occurring in the development of software products, operating systems and computer hardware. Amortization begins once the software project has completed the application development stage regardless of when the software is placed into service.

Impairment of Long-Lived Assets
VUMC reviews long-lived assets, such as property, plant, and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. VUMC measures the recoverability of assets to be held and used by comparing the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, VUMC recognizes an impairment charge to the extent the carrying amount of the asset exceeds its fair value.

Conditional Asset Retirement Costs and Obligations
VUMC accrues for costs related to obligations to perform certain activities in connection with the retirement, disposal, or abandonment of assets. Using site-specific surveys, VUMC identified liabilities of approximately $5.7 million as of June 30, 2016, largely related to asbestos abatement removal. The liability estimate includes an inflation rate of 3% and a discount rate of 4.1%.

Deferred Revenue
The majority of deferred revenue relates to grants and contracts requiring expenditure for specified activities before VUMC is reimbursed by the grantor for the costs incurred. Documentation showing actual costs expended are included when submitting a monthly or quarterly report for reimbursement. Certain grantors pay in advance of incurring the specified costs. In those cases, the amount received in excess of amounts spent on reimbursable costs is reported as deferred revenue.

Long-Term Debt
VUMC reports long-term debt at carrying value. The carrying value of VUMC's debt is the par amount adjusted for the net unamortized amount of bond premiums and discounts.

Interest Rate Exchange Agreements
VUMC estimates the fair value of interest rate exchange agreements by calculating the present value sum of future net cash settlements that reflect market yields as of the measurement date and estimated amounts that VUMC would pay, or receive, to terminate the contracts as of the report date. VUMC considers current interest rates and creditworthiness of the interest rate exchange counterparties when estimating termination settlements.

Self-Insurance Reserves and Claims
VUMC elects to self-insure a portion of its medical malpractice and professional liability coverage, and its general liability coverage via an irrevocable self-insurance trust. The maximum self-insured retention is $5.5 million per occurrence and $43 million annually up to $105.5 million for fiscal 2016. The self-insurance trust covers medical malpractice, professional, and general liability claims attributable to VUMC. Actuarial firms determine expected losses on an annual basis, at which time VUMC records medical malpractice and professional liability expense within the limits of the program. VUMC obtains excess malpractice, professional, and general liability coverage from commercial insurance carriers on a claims-made basis for claims above the retained amounts.

VUMC also elected to self-insure for employee health and worker's compensation expenses. Actuarial firms determine expected losses on an annual basis. The maximum retention for worker's compensation is $0.8 million per occurrence. There is no stop loss insurance on health plan claims.

Income Taxes
VUMC is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is generally exempt from federal income taxes pursuant to Section 501(a) of the Code.

Recent Accounting Pronouncements
In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, which is a principles-based standard on revenue recognition. Companies across all industries will use a five-step model to recognize revenue from customer contracts. The new standard, which replaces nearly all existing United States Generally Accepted Accounting Principles ("US GAAP") revenue recognition guidance, will require significant management judgment in addition to changing the way many companies recognize revenue in their financial statements. The standard is effective for a nonpublic entity that has issued or is a conduit bond obligor for securities that are traded, listed or quoted on an exchange or in an over-the-counter market for annual and interim periods beginning after December 15, 2017. Early adoption is permitted under US GAAP, which allows entities to adopt one year earlier if they choose. VUMC continues to evaluate the effects the adoption of this standard will have on our consolidated financial statements and disclosures.

In April 2015, the FASB issued Accounting Standards Update 2015-03, *Simplifying the Presentation of Debt Issuance Costs* ("ASU 2015-03"), which requires that debt issuance costs be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. The guidance in the new standard is limited to the presentation of debt issuance costs. The recognition and measurement guidance for debt issuance costs are not affected by ASU 2015-03. We elected to adopt the new presentation in fiscal 2016.

In May 2015, the FASB issued Accounting Standards Update 2015-07, *Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)*. ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments measured at fair value using the net asset value per share practical expedient. The provisions of ASU 2015-07 are effective for fiscal years beginning after December 15, 2016 (with early adoption permitted) and will require retrospective application to all periods presented. VUMC continues to evaluate the effects the adoption of this standard will have on our consolidated financial statements and disclosures.

In February 2016, the FASB issued Accounting Standards Update 2016-02, *Leases* ("ASU 2016-02"), which requires lessees to recognize assets and liabilities for most leases. ASU 2016-02 is effective for a not-for-profit entity that has issued or is a conduit bond obligor for securities that are traded, listed or quoted on an exchange or in an over-the-counter market for annual periods beginning after December 15, 2018 and interim periods within that fiscal year. Early adoption is permitted. ASU 2016-02's transition provisions will be applied using a modified retrospective approach at the beginning of the earliest comparative period presented in the financial statements. While we are currently evaluating the provisions of ASU 2016-02 to determine how our financial statements will be affected, we believe the primary effect of adopting the new standard will be to record assets and offsetting obligations for current operating leases.

In August 2016, the FASB issued Accounting Standards Update 2016-14, *Presentation of Financial Statements for Not-For-Profit Entities* ("ASU 2016-14"). NFPs would no longer be required to distinguish between resources with temporary and permanent restrictions on the face of their financial statements, meaning they would present two classes of net assets instead of three. They would be required to present expenses by their natural and functional classification and would be required to provide more quantitative and qualitative information about their liquidity. The guidance is effective for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. We continue to evaluate the effects the adoption of this standard will have on our consolidated financial statements and disclosures.

3. Acquisitions

On April 29, 2016, VUMC acquired the assets, liabilities, rights and obligations of the clinical enterprise, post-graduate training programs and clinically-related research of the University owned and operated Medical Center for consideration of $1.23 billion ("the Acquisition"). For the purpose of funding the Acquisition, VUMC entered into certain debt agreements to borrow approximately $1.13 billion of publically and privately placed debt and committed to a $100.0 million subordinate note payable to the University to be paid over twenty years (May 2016 through April 2036). VUMC paid VU cash of $1.13 billion to acquire the Medical Center assets and liabilities which included approximately $529.0 million of cash. The net cash paid of $601.0 million represents the $1.13 billion of cash paid to VU net of the $529.0 million of cash included in the assets acquired. In addition to the cash consideration paid and subordinate note payable, VUMC committed to additional consideration in the form of other payables of approximately $31.7 million; a $12.0 million commitment to fund trans-institutional programs and a $19.7 million memorandum of understanding ("MOU") to fund certain University capital projects both of which were previously

agreed to be funded by the Medical Center. These Medical Center assets and operations were used to form the two major operating divisions of VUMC.

VUMC accounted for the Acquisition using the acquisition method of accounting pursuant to ASC 805-10-05-4 as modified by ASC 958-805-25, whereby the identifiable assets acquired, the liabilities assumed and any noncontrolling interest in the acquired entity are recognized and measured at their fair values on the date VUMC obtained control of the Medical Center. The Acquisition resulted in an inherent contribution from the University totaling approximately $509.0 million. The inherent contribution is a result of the University's interest in the success of VUMC and the shared missions of the two organizations which are memorialized in the agreements discussed within this note. No goodwill was recorded as a result of this transaction.

The table below summarized the allocation of the purchase price (including assumed liabilities) for the Medical Center as of the acquisition date:

(in thousands)

Net cash consideration paid	$ 600,971
Note payable to VU	100,000
Other VU payable	31,700
Total consideration	732,671
Current assets	492,709
Property, plant, and equipment, net	1,121,845
Other noncurrent assets	207,101
Liabilities	(574,466)
Noncontrolling interests	(5,502)
Total identifiable net assets	1,241,687
Total inherent contribution from VU	$ 509,016

The inherent contribution from VU is included in the following fund balances from April 29, 2016, the date of the Acquisition:

(in thousands)

Unrestricted	$ 476,895
Temporarily restricted	25,360
Permanently restricted	6,761
Total inherent contribution from VU	$ 509,016

The assets acquired and liabilities assumed from the Acquisition were detailed in a Master Transfer and Separation Agreement ("MTSA"). In addition to the explanation of the transaction details pertaining to the Medical Center assets and liabilities, the MTSA contains the framework for the ongoing economic relationship between VUMC and the University. The relationship is memorialized in the form of an Academic Affiliation Agreement ("AAA"), a Trademark License Agreement ("TMLA"), a Ground Lease, and a Reciprocal Master Services Agreement ("MSA").

The AAA outlines the ongoing academic, research and clinical affiliation between the University and VUMC for all of the University's degree-granting, certificate and research programs. The AAA allocates responsibility between the University and VUMC for jointly administered academic and residency programs and is an exclusive agreement between VUMC and VU requiring that VUMC be organized, governed and operated in a manner that supports VU's academic and research mission. The agreement provides that VU will be the exclusive academic affiliate of VUMC and VUMC will be the exclusive clinical affiliate of VU. This agreement requires VUMC to pay VU an annualized fee of $70.0 million in equal monthly payments adjusted annually for inflation based upon the Biomedical Research and Development Price Index (BRDPI) in perpetuity pursuant to certain mutually agreed upon termination or default clauses. This agreement also requires the one-time $12.0 million commitment to fund trans-institutional programs with the University, included in the consideration reflected in the above table.

Pursuant to the TMLA, the University grants, subject to certain consents and approvals, a perpetual license to use various University-owned licensed marks in connection with VUMC's fundamental activities after the Acquisition date. The licensed marks, which VUMC will continue to use as the primary brands of VUMC, include virtually all those currently in use by VUMC. This agreement requires VUMC to pay VU a monthly royalty payment equal to 1.0% of all operating revenues (as defined in the TMLA) of VUMC and a percentage of net income (0% in FY 2017, 5% in FY 2018, 10% in FY 2019, and 15% in FY 2020 and beyond) from operations (as defined in the TMLA). In addition, VUMC is required to pay approximately $53.6 million annually. The $53.6 million amount increases 3% annually starting in fiscal year 2017. This agreement is in force in perpetuity pursuant to certain mutually agreed upon termination or default clauses.

The Ground Lease is an agreement between VU and VUMC that allows VUMC to use the land on which its campus and related buildings are located. The initial term of the Ground Lease ends June 30, 2114 with the option to extend the lease for two additional terms of up to fifty to ninety-nine years each with mutual agreement between VU and VUMC. The lease covers approximately 1.7 million square feet or 38.75 acres of space with an annual base rent of $18.0 million payable monthly. VUMC is responsible for all property taxes associated with this lease. This lease is discussed further in Note 16.

The University and VUMC will provide services to one another for agreed-upon consideration subsequent to the Acquisition as outlined in the MSA. VU will provide services to VUMC such as information technology infrastructure support, utilities and law enforcement staffing. VUMC will continue to provide various operational services for the University including student health centers, a psychological counseling center, and animal care. Services under these agreements can be terminated by either party subject to pre-determined cancellation notification periods.

4. Related Parties

On April 29, 2016, VUMC completed the Acquisition. VUMC is now a separately operating 501(c)(3) not-for-profit corporation. VUMC is governed by a separate and autonomous board apart from the governance of VU, where control of the assets necessary to operate VUMC has been transferred from VU to VUMC. VUMC is responsible for its own debt and liabilities, separate and apart from the University. At legal separation, VUMC and VU entered into several agreements that govern the relationship between the two entities moving forward as described in Note 3.

As part of the Acquisition, VUMC pledged $12.0 million to fund trans-institutional programs in accordance with the AAA and $19.7 million to fund certain capital projects previously agreed to by the Medical Center in accordance with the MOU. These amounts are recorded under the accounts payable and accrued expenses caption in the consolidated balance sheet as of June 30, 2016.

As of June 30, 2016, VUMC has a receivable from VU and a payable to VU in the amount of approximately $21.2 million and $26.2 million, respectively, as of June 30, 2016. The receivable is recorded under the other current assets caption and the payable is recorded under the accounts payable and other accrued expenses caption in the consolidated balance sheet. The receivable from VU consists of approximately $17.3 million associated with the final settlement of the Acquisition and the remaining $3.9 million relates to the MSA for services provided to VU. Conversely, the payable to VU relates entirely to the MSA for services provided to VUMC. In addition, VUMC has a $100 million subordinate promissory note payable to VU as part of the Acquisition.

Intermittently, members of VUMC's Board of Directors or VUMC employees may be directly or indirectly associated with companies engaged in business activities with VUMC. Accordingly, VUMC has a written conflict of interest policy that requires, among other things, that members of the VUMC community (including trustees) may not review, approve, or administratively control contracts or business relationships when (a) the contract or business relationship is between VUMC and a business in which the individual or a family member has a material financial interest or (b) the individual or a family member is an employee of the business and is directly involved with activities pertaining to VUMC.

Furthermore, VUMC's conflict of interest policy extends beyond the foregoing business activities in that disclosure is required for any situation in which an applicable individual's financial, professional, or other personal activities may directly or indirectly affect, or have the appearance of affecting, an individual's professional judgment in exercising any VUMC duty or responsibility, including the conduct or reporting of research.

The policy extends to all members of the VUMC community (including trustees, faculty, and staff and their immediate family members). Each applicable person is required to certify compliance with the conflict of interest policy on an annual basis. This certification includes specifically disclosing whether VUMC conducts business with an entity in which he or she (or an immediate family member) has a material financial interest as well as any other situation that could appear to present a conflict with VUMC's best interests.

When situations exist relative to the conflict of interest policy, VUMC takes active measures to manage appropriately the actual or perceived conflict in the best interests of VUMC, including periodic reporting of the measures taken to the Board of Directors Audit Committee.

5. Patient Accounts Receivable

Accounts receivable as of June 30, 2016 were $343.2 million, net of $20.2 million in allowances for doubtful accounts. The largest component of VUMC's receivables was from third party payors.

As of June 30, 2016, VUMC had receivables, net of related contractual and bad debt allowances from the following payors:

(in thousands)

Medicare	$ 51,238
TennCare/Medicaid	51,769
Blue Cross	76,847
Other commercial carriers	127,828
Patient responsibility	35,559
	$ 343,241

6. Reimbursement Under Third-Party Agreements

A summary of estimated third-party settlements by major payor category as of June 30, 2016 follows:

(in thousands)

Estimated third-party receivables	
Tricare/Champus	$ 9,123
Estimated third-party liabilities	
Medicare	$ 18,024
Medicaid	12,385
Other	581
	$ 30,990

7. Pledge Receivable, net

The pledge receivables net of applied discounts and allowance for uncollectible pledges as of June 30, 2016 were as follows:

(in thousands)	Gross	Discount	Allowance for Uncollectible Pledges	Net
In one year or less	$ 6,136	$ (30)	$ (36)	$ 6,070
Between one year and five years	7,928	(236)	(29)	7,663
Total pledge receivable, net	$ 14,064	$ (266)	$ (65)	$ 13,733

VUMC discounts contributions receivable at a rate commensurate with the scheduled timing of receipt. VUMC applied discount rates ranging from 0.5% to 1.5% to amounts outstanding as of June 30, 2016. Our methodology for calculating an allowance for uncollectible promises consists of analyzing write-offs as a percentage of gross pledges receivable along with assessing the age and activity of outstanding pledges.

In addition to pledges reported as pledge receivables, VUMC had cumulative bequest intentions and conditional promises to give of approximately $37.7 million as of June 30, 2016. Due to their conditional nature, VUMC does not recognize intentions to give as assets.

The pledge receivable, net as of June 30, 2016, broken down by net asset class, was as follows:

(in thousands)

Unrestricted	$	194
Temporarily restricted		13,347
Permanently restricted		192
Total pledge receivable, net	$	13,733

8. Grants and Contracts Receivable

VUMC receives research funding from a variety of sources, as described in Note 2. Grants and contracts receivable as of June 30, 2016 is approximately $60.9 million. This receivable is comprised of $33.0 million and $27.9 million of federally and nonfederally funded grants and contracts, respectively.

9. Charity Care Assistance, Community Benefits, and Other Unrecovered Costs

VUMC (including all hospitals, clinics, physician practices, and controlled clinical joint ventures) maintains a policy which sets forth the criteria to provide, without expectation of payment or at a reduced payment rate, health care services to patients who have minimal financial resources to pay for medical care. VUMC does not report these charity care services as revenue. Accordingly, no receivable for charity care services is recorded in this consolidated balance sheet.

VUMC maintains records to identify and monitor the level of charity care it provides, and these records include the amount of gross charges and patient deductibles, co-insurance and co-payments forgone for services furnished under its charity care policy, and the estimated cost of those services. Charity care is determined by utilizing a tiered grid relative to the federal poverty guidelines. VUMC provides additional discounts based on the income level of the patient household using a sliding scale for those patients with a major catastrophic medical event that do not qualify for full charity assistance. VUMC calculates a ratio of total costs to gross charges, and then multiplies the ratio by foregone charity care charges in determining the estimated cost of charity care.

In addition to the charity care services described above, VUMC provides a number of other services to benefit the economically disadvantaged for which we receive little or no payment. TennCare/Medicaid and state indigent programs do not cover the full cost of providing care to beneficiaries of those programs. As a result, in addition to direct charity care costs, VUMC provided services related to TennCare/Medicaid and state indigent programs and was reimbursed substantially below the cost of rendering such services.

VUMC also provides public health education and training for new health professionals and provides, without charge, services to the community at large, together with support groups for many patients with special needs.

10. Investments Limited as to Use

VUMC investments include assets limited as to use, which include assets held in an irrevocable trust related to self-insured malpractice and workers compensation programs, internally-designated assets, donor-designated gifts for capital assets, and split interest trusts of approximately $88.5 million, $79.7 million, $15.7 million, and $6.4 million as of June 30, 2016, respectively.

Investments limited as to use at June 30, 2016 were as follows:

(in thousands)	Market Value	Amortized Cost	Unrealized Gain (Loss)
Cash and cash equivalents	$ 16,378	$ 16,378	$ -
Bonds	9,019	8,991	28
Fixed income mutual funds	35,377	34,842	535
Hedged debt funds	3,200	3,200	-
Equity mutual funds	88,565	90,414	(1,849)
Hedged equity funds	14,740	15,006	(266)
Commodities and managed futures mutual funds	3,305	3,161	144
Real estate mutual funds	13,398	12,386	1,012
Split interest trusts	6,384	5,168	1,216
	$ 190,366	$ 189,546	$ 820

VUMC has elected the fair value option related to investments and reports investments held at fair value on the consolidated balance sheet using the three-level hierarchy. VUMC records purchases and sales of securities on the trade dates, and realized gains and losses are determined based on the average historical cost of the securities sold. VUMC reports net receivables and payables arising from unsettled trades as a component of investments.

VUMC has exposure to a number of risks including liquidity, interest rate, counterparty, basis, regulatory, market, and credit risks for marketable securities. Due to the level of risk exposure, it is possible that near-term valuation changes for investment securities may occur to an extent that could materially affect the amounts reported in VUMC's consolidated balance sheet.

Unless donor-restricted endowment gift agreements require separate investment, VUMC manages all endowment investments as an investment pool.

Cash and cash equivalents are composed primarily of donor-designated gifts to be used for the acquisition or construction of noncurrent assets. In addition, a portion of this balance represents amounts posted as collateral in accordance with regulatory requirements associated with self-insurance and liquid assets associated with internally designated investments.

Bonds consist of $9,000 par value of US Treasury Notes held in a workers compensation account.

Fixed income mutual funds includes investments directed towards capital preservation and predictable yield as well as more opportunistic strategies focused on generating return on price appreciation. These mutual fund investments held in both the self-insurance trust portfolio as well as the long-term portfolio of internally- designated funds and are designed to reflect a highly diversified total return investment strategy.

Hedged equity and debt funds include marketable alternative strategies to diversify risks and reduce volatility in the portfolios. These liquid mutual fund investments include investments in highly diversified long-short equity portfolios as well as long-short credit-oriented portfolios.

Equity mutual funds consist of investment funds globally diversified across public markets including U.S. markets, other developed markets, and emerging and frontier markets.

Commodities funds include public investments such as commodity futures and commodity-related equities. Investments in this asset class included only liquid mutual fund investments.

Real estate mutual funds comprises liquid investments in mutual funds investing in Real Estate Investment Trusts (REITS).

Split interest trusts are Vanderbilt University Medical Center's split interest agreements with donors.

11. Property, Plant, and Equipment, Net

A summary of property, plant, and equipment at June 30, 2016 follows:

(in thousands)

Land and land improvements	$ 18,117
Buildings and improvements	863,023
Equipment	164,395
Property, plant, and equipment at cost	1,045,535
Less: Accumulated depreciation	(14,279)
Property, plant, and equipment, net of accumulated depreciation	1,031,256
Construction in progress	98,860
Property, plant, and equipment, net	$ 1,130,116

Capitalized software for internal use is included in the equipment caption in the above table. The gross carrying amount of internal use software was approximately $5.8 million, and the net carrying amount considering accumulated amortization was approximately $5.5 million at June 30, 2016. Construction in progress includes $33.4 million of capitalized costs for internal use software at June 30, 2016, of which $20.9 million were incurred during the period beginning April 29, 2016 and ended June 30, 2016. The $20.9 million of capitalized internal use software includes approximately $3.0 million of internal costs. These costs represent amounts accrued in the application development stage of the project and will begin amortization once the software project is complete and ready for its intended use.

As part of the MTSA, VUMC acquired real property not allowed to be repurposed without express consent of VU.

12. Long-Term Debt

Long-term debt consists of bonds and notes payable and certain financing obligations at June 30, 2016 as follows:

(in thousands)	Fiscal Years to Maturity	Fixed Coupon Interest Rate	Effective Interest Rate	Outstanding Principal
2016 Series debt				
Fixed-rate Debt				
Series 2016A, Tax-Exempt Revenue Bonds	31	5.00 %	4.30 %	$ 476,930
Series 2016B, Taxable Revenue Bonds	11	4.05 %	4.30 %	300,000
Total fixed-rate debt			4.30 %	776,930
Variable-rate Debt				
Series 2016C, Taxable Revenue Bonds	31		1.90 %	50,000
Series 2016D, Taxable Revenue Notes	6		3.20 %	100,000
Series 2016E, Taxable Term Loan Revenue Note	21		3.00 %	128,070
Series 2016F, Taxable Revenue Bonds	26		3.10 %	75,000
Total variable-rate debt			2.90 %	353,070
Par amount of 2016 Series Debt				1,130,000
Other long-term debt				
Subordinated Promissory Note Payable to VU	20	3.25 %	3.25 %	99,166
Product Financing Arrangement	11		4.10 %	14,977
Subtotal[1]			3.90 %	1,244,143
Net unamortized premium on 2016 Series Debt				59,328
Net unamortized bond issuance costs on 2016 Series Debt				(12,408)
Total long-term debt				1,291,063
Less: Current installments of long-term debt				(5,000)
Long-term debt, net of current installments				$ 1,286,063

[1] The effective interest rate of 3.9% is exclusive of interest rate exchange agreements discussed in Note 13. Inclusive of these agreements, the overall portfolio effective interest rate was 4.3%.

On April 29, 2016, VUMC issued the Series 2016 A,B,C,D,E, and F bonds ("2016 Series Debt") and notes aggregating $1.278 billion of proceeds for the purpose of financing the Medical Center Acquisition and paying a portion of the costs of issuance associated with the 2016 Series Debt.

The Series 2016A tax-exempt fixed-rate revenue bonds were issued in the par amount of approximately $476.9 million and include an original issue premium of approximately $59.6 million. The Series 2016A bonds have a final maturity date of July 1, 2046 and can be optionally redeemed at par on or after July 1, 2026. The 2016A bonds were structured as serial bonds with maturites from fiscal 2030 through 2032, as well as three term bonds maturing fiscal 2036 through 2047 which are subject to mandatory sinking fund redemption in lots. The Series 2016A bonds bear interest at 5% per annum, and pay interest semi-annually on July 1st and January 1st.

The Series 2016B taxable fixed-rate revenue bonds were issued in the par amount of $300.0 million bear interest at 4.053% per annum, and have a bullet maturity of July 1, 2026. VUMC is entitled, at its option, to redeem all or a portion of the Series 2016B bonds prior to April 1, 2026 at a make-whole redemption price, as defined in the Series 2016B indenture and official statement.

The Series 2016C taxable variable-rate revenue bonds (R-FLOATs) were issued in the par amount of $50.0 million and bear interest initially at a fixed spread to weekly LIBOR of 1.6% through final maturity of July 1, 2046. The R-FLOATs have an optional tender provision whereby the bondholder can tender the bond to the trustee for purchase in whole or part. The funds for optional redemption are derived solely from remarketing proceeds or funds provided by VUMC, however, VUMC is not required to provide such funds. If the bonds cannot be remarketed at optional redemption they are returned to the bondholder and enter a term out period of twenty-four months. If bonds cannot be successfully remarketed by the end of the 24 month term out period they are subject to mandatory redemption. In addition to optional redemption of all or a portion of the bonds, the Series 2016C bonds are subject to mandatory sinking fund redemption starting on July 1, 2030.

The Series 2016D taxable variable-rate revenue notes (floating rate notes) were issued in the par amount of $100.0 million and bear interest initially at a fixed spread to one month LIBOR of 2.5% through the initial mandatory tender date of July 1, 2021 and final maturity of July 1, 2046. In addition to optional redemption of all or a portion of the bonds beginning six months prior to the mandatory tender date of July 1, 2021, the Series 2016D bonds are subject to mandatory redemption in lots commencing on July 1, 2021, and each July thereafter until final maturity.

The Series 2016E taxable term loan revenue notes were issued in the par amount of approximately $128.1 million and were placed privately with a bank. The notes bear interest in a variable-rate mode at a fixed spread to one month LIBOR of 2.4% through the initial mandatory tender date of July 1, 2022 and final maturity of July 1, 2046. In addition to optional redemption of all or a portion of the notes at anytime, subject to notice, the Series 2016E notes are subject to principal amortization commencing on July 1, 2022, as defined in the Series 2016E loan agreement between VUMC and the lender.

The Series 2016F taxable variable-rate revenue bonds were issued in the par amount of $75.0 million and were placed privately with a bank. The notes bear interest in a variable-rate mode at a fixed spread to one month LIBOR of 2.5% through the initial mandatory tender date of July 1, 2022. The bonds can be optionally redeemed in part or in whole in the current interest mode at par on or after July 1, 2022, at which time the bonds are also subject to mandatory sinking fund redemption until the final maturity date of July 1, 2041.

All of the aforementioned bonds and notes issued by VUMC (2016 Series Debt) on April 29, 2016 (with the exception of the subordinated note payable to Vanderbilt University described below) were issued by the Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (HEFB). As a conduit issuer, the HEFB loans the debt proceeds to VUMC. Pursuant to loan agreements, VUMC's debt service requirements under these loan agreements coincide with required debt service of the actual HEFB bonds.

Each of the bonds and notes issued by the HEFB on April 29, 2016 were issued as separate obligations under a Master Trust Indenture (MTI) structure dated April 1, 2016. The MTI provides the flexibility for multiple parties to participate in debt issuances as part of an obligated group; presently, VUMC has no other members participating in the obligated group. All debt issued under the MTI are general obligations of the obligated group. Under the provisions of the Leasehold Deed of Trust, Security Agreement, Assignment of Rents and Leases, and Fixture Filing ("the Security Agreement") within the MTI, gross receivables of the obligated group are pledged as collateral. Additionally the Security Agreement established a mortgage lien on: (i) the leasehold interest of the land subject to the Ground Lease; (ii) the buildings, structures, improvements and fixtures now or hereafter located on the land subject to the Ground Lease; and (iii) certain other collateral.

Trust indentures for certain bond issues contain covenants and restrictions, the most material of which include limitations on the issuance of additional debt, maintenance of a specified debt service coverage ratio, and a minimum amount of days cash on hand. VUMC believes it is in compliance with such covenants and restrictions as of June 30, 2016.

On April 29, 2016, VUMC delivered a secured subordinated promissory note in the amount of $100 million to Vanderbilt University for the purpose of financing the Acquisition ("the VU subordinated note"). The note was issued at a fixed rate of 3.25% with monthly principal payments totaling $5 million annually commencing on May 31, 2016 for a period of twenty years ending on April 30, 2036. This note is secured by the gross receivables and mortgaged property described in the Security Agreement subject to the requirements of the 2016 Series Debt and the MTI.

On April 29, 2016, as part of the Acquisition, VUMC assumed a 10 year, unsecured, noninterest bearing product financing arrangement with a vendor for the purchase and implementation of internal use software described in Note 11 ("Product Financing Arrangement"). As part of this agreement, VUMC has committed to an annual payment of $0.5 million payable in monthly installments through November of 2019. These payments will be considered imputed interest expense. During fiscal year 2020, the annual payment increases to $4.9 million payable in monthly installments. These payments are considered principal and imputed interest and continue through fiscal year 2026. At June 30, 2016, the principal balance shown in the below schedule of approximately $15.0 million represents software for which we have taken ownership and incurred implementation services. To determine the obligation, we discounted the future cash outflows relating to this obligation using an estimated effective interest rate of 4.1%. The estimated balance of $15.0 million is reflected in the long-term debt caption of the consolidated balance sheet.

Principal retirements and scheduled sinking fund requirements based on nominal maturity schedules for long-term debt due in subsequent fiscal years ending June 30 are as follows:

(in thousands)	2016 Series Debt	VU Subordinated Note	Product Financing Agreement	Total Principal Retirements
2017	$ -	$ 5,000	$ -	$ 5,000
2018	-	5,000	-	5,000
2019	-	5,000	-	5,000
2020	-	5,000	2,544	7,544
2021	-	5,000	4,504	9,504
Thereafter	1,130,000	74,166	7,929	1,212,095
Total long-term debt principal retirements	$ 1,130,000	$ 99,166	$ 14,977	$ 1,244,143

On April 29, 2016 VUMC entered into an agreement with a bank to provide a general use line of credit with a maximum available commitment totaling $100.0 million. The line of credit, which may be drawn upon for general operating purposes, expires on April 28, 2017. Interest on each advance under this line of credit accrues at a rate of 0.75% plus LIBOR, and a commitment fee of 0.20% per annum accrues on any unused portion of the line of credit. No amounts were drawn on this credit facility as of June 30, 2016.

13. Interest Rate Exchange Agreements

On April 29, 2016, the University transferred an interest rate exchange agreement to VUMC with a total notional amount of $150.0 million. VUMC split the transferred notional amount into two agreements with new notional amounts of $75 million each and incorporated these interest rate exchange agreements into its debt portfolio management strategy. Collateral pledging requirements were removed from the novated agreements and mandatory termination provisions were added at that time. The estimated fair value of VUMC's outstanding interest rate exchange agreements represented a liability of $89.5 million as of June 30, 2016.

The notional amount of VUMC's outstanding interest rate exchange agreements as of June 30, 2016 totaled $150.0 million with an average rate paid of 4.15% with a maturity date of May 1, 2040. The variable portions of these agreements are equal to 68% of one-month LIBOR rate. Notional amounts of $75.0 million terminate automatically on April 29, 2021 and 2023, at which point the exchange agreements will be settled at fair value.

14. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets as of June 30, 2016 represented donor restricted gifts.

A summary of VUMC's temporarily restricted net assets as of June 30, 2016 is as follows:

(in thousands)	Total
Property, plant and equipment	$ 15,737
Research and education	11,087
Operations	161
Total temporarily restricted net assets	$ 26,985

Permanently restricted net assets as of June 30, 2016 consisted of cash proceeds from life insurance policies totaling approximately $0.6 million and remainder or split-interest trust funds of approximately $6.2 million. These amounts will be invested in our endowment upon death of the donor.

Endowment-related assets include institutional endowments (quasi-endowments). VUMC's endowment does not include gift annuities, interests in trusts held by others, contributions pending donor designation, or contributions receivable.

The Board of Director's interpretation of its fiduciary responsibilities for donor-restricted endowments under the Uniform Prudent Management of Institutional Funds Act (UPMIFA) requirements is to preserve intergenerational equity, barring the existence of any donor-specific provisions. Under this broad guideline, future endowment beneficiaries should receive at least the same level of real economic support as the current generation. The overarching objective is to preserve and enhance the real (inflation-adjusted) purchasing power of the endowment in perpetuity. VUMC invests assets to provide a relatively predictable and stable stream of earnings to meet spending needs and attain long-term return objectives without the assumption of undue risks.

UPMIFA specifies that unless stated otherwise in a gift instrument, donor-restricted assets in an endowment fund are restricted assets until appropriated for expenditure. Barring the existence of specific instructions in gift agreements for donor-restricted endowments, VUMC reports the historical value for such endowments as permanently restricted net assets and the net accumulated appreciation as temporarily restricted net assets. In this context, historical value represents the original value of initial contributions restricted as permanent endowments plus the original value of subsequent contributions and, if applicable, the value of accumulations made in accordance with the direction of specific donor gift agreements.

VUMC may not fully expend Board-appropriated endowment distributions in a particular fiscal year. In some cases, VUMC will approve endowment distributions for reinvestment into the endowment.

15. Fair Value Measurements

Fair value measurements represent the price received to sell an asset or price paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP establishes a three-level hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at the measurement date. Inputs to the valuation techniques used are prioritized to measure fair value by giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

VUMC utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 Consists of quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date.

Level 2 Include inputs other than quoted prices included in Level 1 that are either directly or indirectly observable for the assets or liabilities.

Level 3 Are unobservable inputs for the assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls depends on the lowest level input that is significant to the fair value measurement. VUMC's Treasury Office and a team of external investment managers manage these investments.

The following table summarizes the financial instruments carried on the balance sheet by valuation hierarchy level as of June 30, 2016:

(in thousands)	Market Value Level 1	Market Value Level 2	Total Market Value
Assets			
Cash and cash equivalents	$ 16,378	$ -	$ 16,378
Bonds (US Treasury Notes)	9,019	-	9,019
Fixed income mutual funds	4,926	30,451	35,377
Hedged debt funds	-	3,200	3,200
Equity mutual funds	12,038	76,527	88,565
Hedged equity funds	4,567	10,173	14,740
Commodities and managed futures mutual funds	-	3,305	3,305
Real estate mutual funds	-	13,398	13,398
Split interest trusts	6,384	-	6,384
Total assets reported at fair value	$ 53,312	$ 137,054	$ 190,366
Liabilities			
Interest rate swaps	$ -	$ 89,536	$ 89,536

The recorded amounts for receivables, prepaid expenses, accounts payable, and other accrued expenses and liabilities approximate fair value.

VUMC's long-term debt is reported at carrying value (par) along with the net unamortized amount of premiums. As of June 30, 2016, the carrying value and estimated fair value of long-term debt totaled $1.189 billion and $1.264 billion, respectively. VUMC bases estimated fair value of long-term debt on market conditions prevailing at fiscal year-end reporting dates. Besides potentially volatile market conditions, fair value estimates typically reflect limited secondary market trading. VUMC reports the promissory note payable to VU and the product financing arrangement at carrying value, which approximates fair value for those liabilities.

VUMC employs derivatives, primarily interest rate exchange agreements, to help manage interest rate risks associated with variable-rate debt. In addition to the credit risk of the counterparty owing a balance, VUMC calculates the fair value of interest rate exchange agreements based on the present value sum of future net cash settlements that reflect market yields as of the measurement date.

Parties to interest rate exchange agreements are subject to risk for changes in interest rates as well as risk of credit loss in the event of nonperformance by the counterparty. VUMC deals only with high-quality counterparties that meet rating criteria for financial stability and credit worthiness.

16. Lease Obligations

VUMC leases certain property and equipment. VUMC classifies these leases as operating leases and has lease terms ranging from two to twenty years.

The following is a schedule by fiscal year of future minimum rentals on noncancelable operating leases as of June 30, 2016:

(in thousands)	Equipment	Property	Ground Lease	Total
2017	$ 19,373	$ 42,355	$ 18,000	$ 79,728
2018	10,992	41,324	18,000	70,316
2019	6,584	40,282	18,000	64,866
2020	3,753	38,811	18,000	60,564
2021	2,776	30,908	18,000	51,684
Thereafter	-	188,207	1,692,000	1,880,207
Total future minimum rentals	$ 43,478	$ 381,887	$ 1,782,000	$ 2,207,365

VUMC has 106 separate equipment leases for office and medical equipment at various monthly payment terms expiring through fiscal year 2021 with minimum rental payments totaling approximately $43.5 million. The majority of these leases were assumed through the MTSA.

In July 2007, VU entered an agreement to lease approximately 50% of the space in the 850,000 square foot One Hundred Oaks shopping center located approximately five miles from the main campus ("100 Oaks Lease"). VU redeveloped this leased space primarily for medical and office uses. This operating lease commenced during fiscal year 2009 with an initial lease term of twelve years. In October 2014, VU agreed to an amendment which extends the original lease term by an additional fifteen years, with an option to renew the lease further for four additional ten-year periods. As part of the lease agreement, the lessee also has first rights on leasing additional space in the shopping center, and first rights on purchasing if the landlord desires to sell. On April 29, 2016, the 100 Oaks Lease was assigned to VUMC. As a condition of the assignment, amendments to the 100 Oaks lease were added which required VUMC to provide the landlord a $25 million irrevocable standby letter of credit, pay a $13.2 million refinancing penalty payable to the landlord, and pay $7.8 million of the landlord's closing costs, financing fees, and prepayment penalties associated with a refinancing of the landlord's debt. The prepayment penalty and closing costs were recorded as part of the Acquisition. VUMC included minimum property rental payments aggregating approximately $145.6 million related to this space in the above future minimum property rentals.

In July 2015, VU restructured previously existing lease agreements related to approximately 231,000 square feet of office space at 2525 West End Avenue and extended the lease terms for periods ranging from eleven to fifteen years, with options to renew for two additional five-year periods. On April 29, 2016, VU assigned this lease to VUMC. VUMC included minimum property rental payments aggregating approximately $94.5 million related to this space in the above future minimum property rentals.

On April 29, 2016, VUMC and VU entered into certain lease agreements for the use of space in buildings owned by both entities. As of June 30, 2016, VUMC's estimated future minimum property lease payments to VU totaled approximately $43.2 million and estimated future lease receipts from VU totaled approximately $69.9 million.

On April 29, 2016, VUMC entered into a Ground Lease with an initial term of ninety-nine years ending June 30, 2114 with an option to extend for up to two additional terms of fifty to ninety-nine years each upon mutual agreement by VU and VUMC. The initial annual base rent of $18.0 million is payable monthly and CPI adjusted annually. The Ground Lease allows VUMC to use the land on which its campus and related buildings are located. The Ground Lease incorporates approximately 1.7 million square feet or 38.75 acres of space. VUMC is responsible for all property taxes associated with this lease. The Ground Lease payments in the table above represents VUMC's estimate of future minimum payments.

17. Retirement Plans

VUMC's full-time employees participate in a 403(b) defined contribution retirement plan administered by a third-party. For eligible employees with one year of continuous service, these plans require employee matching of employer contributions. The employee immediately vests in these contributions.

VUMC funds the obligations under these plans through monthly transfers to the respective retirement plan administrators with the corresponding expenses recognized in the year incurred.

18. Commitments and Contingencies

Management continues to implement policies, procedures, and a compliance overview organizational structure to enforce and monitor compliance with government statutes and regulations. VUMC's compliance with such laws and regulations is subject to future government review and interpretations, as well as regulatory actions unknown or unasserted at this time.

(A) Litigation. VUMC is a defendant in certain lawsuits alleging medical malpractice and civil action.

One such legal action is a qui tam civil action related to billing and government reimbursement for certain professional health care services provided by VUMC. The lawsuit was unsealed in the fall of 2013, and the government has declined to intervene in the litigation shortly after it was unsealed. The relators have proceeded with the lawsuit, which is currently in the discovery phase. VUMC intends to vigorously defend this matter and believes that the outcome of these actions will not have a material impact on its consolidated financial position. At June 30, 2016, VUMC has accrued an amount to cover estimated exposure as a result of the investigation, which is not material to VUMC's overall financial position.

In February 2015, VUMC received a letter from the Office of Audit Services (OAS) of the Office of Inspector General (OIG) in connection with its nationwide review to determine whether, in certain cases, services were provided to certain Medicare beneficiaries in accordance with national coverage criteria. OAS has issued their final report regarding their audit which contains an overpayment amount. At June 30, 2016, VUMC has accrued an amount sufficient to cover estimated exposure as a result of the investigation, which is not material to VUMC's overall financial position. VUMC is vigorously defending this matter and intends to appeal a number of OAS's findings to Cahaba GBA, VUMC's Medicare administrative contractor.

On August 16, 2016, VUMC received written notice from VU of a third-party claim which may, if determined adversely to VU, require indemnification by VUMC pursuant to the provisions of the Master Transfer and Separation Agreement, dated as of April 29, 2016. That third party claim is a lawsuit (Cassell v. Vanderbilt University, et al., No. 3:16-cv-02086 (U.S.D.C. M.D. TN)) brought by current and former employees of VU which alleges claims relating to administration of the Vanderbilt University Retirement Plan and New Faculty Plan. Due to the early stage of the litigation, it is not possible to assess the likely outcome of the litigation or to estimate the amount of the indemnification obligation which VUMC might have, were the matter decided adversely to VU.

(B) Regulations. VUMC's compliance with regulations and laws is subject to future government reviews and interpretations, as well as regulatory actions unknown at this time. VUMC believes that the liability, if any, from such reviews will not have a significant effect on VUMC's consolidated financial position.

(C) Medical Malpractice Liability Insurance. Refer to Note 19 for further discussion.

(D) Employee Health and Workers Compensation Insurance. Refer to Note 19 for further discussion.

(E) Federal and State Contracts and Other Requirements. Expenditures related to federal and state grants and contracts are subject to adjustment based upon review by the granting agencies. Amounts of expenditures that granting agencies might disallow cannot be determined at this time. These amounts affect government grants and contract revenue as well as facilities and administrative cost recovery. VUMC would not expect these costs to influence the consolidated financial position significantly.

(F) Health Care Services. Refer to Note 6 for further discussion.

(G) HIPAA Compliance. Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the federal government has authority to complete fraud and abuse investigations. HIPAA has established substantial fines and penalties for offenders. VUMC maintains policies, procedures, and organizational structures to enforce and monitor compliance with HIPAA, as well as other applicable local, state, and federal statutes and regulations.

(H) Construction. VUMC had contractual commitments under major construction and equipment contracts of approximately $34.1 million as of June 30, 2016. Subsequent to June 30, 2016, VUMC entered into a $79.6 million construction contract related to a four floor vertical expansion of the MCJCH.

(I) Letter of Credit. As a requirement of the assignment of the 100 Oaks Lease described in Note 16, VUMC provided an irrevocable standby letter of credit of $25 million to the landlord of the property dated June 10, 2016.

(J) Other. VUMC has an agreement with a supplier of medical supplies that contains minimum purchase obligations. This obligation requires VUMC to purchase a minimum of approximately $24.7 million for Fiscal 2017, through February 2017.

19. Self–Insurance Reserves and Claims

The consolidated balance sheet includes reserves for malpractice, professional and general liability coverage totaling approximately $88.0 million. Of this amount, approximately $20.7 million is recorded in the current self- insurance reserves and claims caption of the balance sheet and approximately $67.3 million is shown in the noncurrent self-insurance reserves and claims caption. This malpractice, professional and general insurance liability was discounted at a rate of 2.5%.

The consolidated balance sheet includes the actuarial liabilities for employee health and workers' compensation insurance totaling approximately $19.1 million and $7.9 million, respectively. These amounts are recorded in the accrued employee compensation caption.

20. Subsequent Events

Management evaluated events subsequent to June 30, 2016, and through the date on which the financial statements were available for issuance, November 4, 2016. No material subsequent events were identified.

2016 FINANCIAL REPORT

VANDERBILT UNIVERSITY

Contents

Letter from the Chancellor

The true value of a great university is most accurately measured by the contributions it makes in shaping the lives of young scholars and in its ability to harness the intellect of the collective members of its community to envision solutions to the challenges facing humankind. Vanderbilt's mission is centered on these noble goals, and we carefully steward our resources to ensure a solid financial foundation that will allow the reach and impact of our efforts to be most powerful and empowering. Thus, we are pleased to finish another year with strong financial results.

At Vanderbilt, we view investments in our people as an investment in our future. Inspired by this philosophy, the Chancellor Faculty Fellows — a key initiative of our Strategic Academic Plan — moves into its second year, funding the work of 14 talented faculty members. Another exciting program, the Chancellor's Higher Education Fellowship, was launched in FY 2016 to create a robust, diverse pipeline of leaders. Working closely with select individuals from our faculty and staff, this program allows me the privilege of helping Vanderbilt up-and-comers gain high-level knowledge of our ethos and policies. We all benefit as a community when we have experienced people who are prepared to lead the university to the next level.

In FY 2016, our Trans-institutional Programs initiative continued its enormous success advancing interdisciplinary projects and research. The 13 cross-disciplinary projects recently selected employ the intellectual talents of more than 100 faculty members representing all 10 of Vanderbilt's colleges and schools. These innovative collaborations exemplify the special collegial culture of Vanderbilt and the many ways that we are using discovery as a pathway for our students to immerse in highly creative learning experiences.

A walk across campus reveals the advancement of the College Halls at Vanderbilt residential colleges plan, with the groundwork for the next phase, Vanderbilt Barnard College, well underway. This progress represents but one aspect of our Land Use Planning Initiative, a comprehensive project launched last year to plan for our growth over the coming decades, and cast the blueprint for the physical manifestation of our philosophic and humanistic values that will guide our major building.

When an institution's goals center on the advancement of ideas, the ability to adapt to meet the evolving nature of humanity is essential. Perhaps nowhere does this paradigm hold greater truth than in the field of health care. A few years ago, we began an examination of how best to allow our clinical enterprise the fluidity needed to thrive and flourish in the highly competitive health care environment. In April 2016, the transition of Vanderbilt University and Vanderbilt University Medical Center (VUMC) into legally separate institutions was completed. Connectedness will continue through collaborative educational and research programs and shared missions that emphasize innovation through discovery science, while separate financial status allows the university and VUMC to pursue paths that will position each to attain goals and plan strategically for the future.

Our commitment to core values of diversity, inclusion, and community combined with academic excellence contribute to the continuing and growing demand for the Vanderbilt experience from bright scholars from across the nation and around the globe. Opportunity Vanderbilt, our expansive financial aid program, is making the American Dream of attending an outstanding university possible for scores of students and families. Since Vanderbilt's founding, the university has symbolized and forged progressive thought and movement. Building on the lessons of our past, we plan optimistically and boldly for our future, creating a new path forward and a better quality of life through education and discovery.

Sincerely,

Nicholas S. Zeppos
Chancellor

Vanderbilt University Statistics

	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012
STUDENTS					
Undergraduate	6,883	6,851	6,835	6,796	6,817
Graduate and professional	5,684	5,835	5,922	5,914	6,019
Total fall enrollment	12,567	12,686	12,757	12,710	12,836
Undergraduate admissions					
Applied	31,464	29,518	31,099	28,348	24,837
Accepted	3,674	3,865	3,963	4,034	4,078
Enrolled	1,607	1,605	1,613	1,608	1,601
Selectivity	11.7%	13.1%	12.7%	14.2%	16.4%
Yield	43.7%	41.5%	40.7%	39.9%	39.3%
Degrees conferred					
Baccalaureate	1,723	1,644	1,663	1,675	1,673
Master's	1,421	1,497	1,416	1,421	1,432
M.D.	104	120	91	111	99
Other doctoral	564	598	580	551	516
Total degrees conferred	3,812	3,859	3,750	3,758	3,720
Undergraduate six-year graduation rate	92.3%	92.0%	92.9%	92.5%	92.2%
Undergraduate tuition	$ 43,620	$ 42,768	$ 41,928	$ 41,088	$ 40,320
% increase over prior year	2.0%	2.0%	2.0%	1.9%	3.5%
FACULTY AND STAFF[1]					
Full-time faculty	1,404	3,740	3,742	3,672	3,551
Full-time staff	4,060	19,305	19,671	19,967	20,119
Part-time faculty	323	439	405	430	439
Part-time staff	509	692	709	763	768
Total faculty and staff	6,296	24,176	24,527	24,832	24,877
GRANT AND CONTRACT FUNDING[2] (in thousands)					
Government sponsors	$ 147,980	$ 150,760	$ 358,632	$ 377,839	$ 397,555
Private sponsors	31,087	26,497	69,466	61,714	54,768
Facilities and administrative costs recovery	55,426	54,610	140,051	142,609	147,806
Total grants and contracts	$ 234,493	$ 231,867	$ 568,149	$ 582,162	$ 600,129
ENDOWMENT					
Market value (in thousands)	$ 3,795,586	$ 4,093,388	$ 4,046,250	$ 3,635,343	$ 3,360,036
Endowment return	-4.3%	3.7%	13.3%	9.3%	1.3%
Endowment per student	$ 302,028	$ 322,670	$ 317,179	$ 286,022	$ 261,767
Endowment payout	4.7%	4.1%	4.1%	4.3%	4.4%

[1] In addition to the faculty employed by Vanderbilt University ("Vanderbilt") at the end of fiscal year 2016, an additional 2,588 employees of Vanderbilt University Medical Center ("VUMC") held Vanderbilt University faculty appointments. This amount comprised 2,463 full-time and 125 part-time appointments. On April 29, 2016, Vanderbilt and VUMC became two separate legal entities. Vanderbilt transferred clinical services operations, post-graduate training programs, and clinical department research activities, along with related assets and liabilities, to VUMC as a newly incorporated Tennessee not-for-profit corporation in exchange for consideration of $1,230 million (the "Transaction"). The Transaction drove this decrease in faculty and staff numbers from fiscal 2015 to 2016.

[2] Fiscal years prior to 2015 include grant and contract funding related to the operations of VUMC. As a result of the Transaction, these amounts were reclassified to discontinued operations in the consolidated statements of activities for fiscal years 2016 and 2015.

Financial Overview

On April 29, 2016, Vanderbilt University ("Vanderbilt") and Vanderbilt University Medical Center ("VUMC") became two separate legal entities. Vanderbilt transferred clinical services operations, post-graduate training programs, and clinical department research activities, along with related assets and liabilities, to VUMC as a newly incorporated Tennessee not-for-profit corporation in exchange for consideration of $1,230 million (the "Transaction"). While Vanderbilt will continue to collaborate with VUMC through education and research, this transaction allows VUMC the fluidity needed to flourish in the highly competitive healthcare environment and strengthens the university's ability to carry out its mission and pursue other initiatives. Pursuant to the Transaction, Vanderbilt reclassified VUMC fiscal 2015 assets and liabilities as held for sale and reclassified VUMC operating results from continuing operations to discontinued operations for each period presented.

Vanderbilt experienced sustained financial success in the year ending June 30, 2016, during a time of unprecedented change. In addition to a strengthened financial position, Vanderbilt's strategic metrics showed continued improvement during fiscal 2016. Undergraduate applications for fall 2015 grew 6.6% to 31,464 with an 11.7% selectivity rate, compared to a 13.1% selectivity rate for fall 2014.

Financial Position

Summary of Financial Position
as of June 30, in millions

	2016	2015
ASSETS		
Cash and cash equivalents	$ 963	$ 867
Investments	4,047	4,467
Accounts and contributions receivable	220	106
Promissory notes receivable	99	-
Property, plant, and equipment, net	944	881
Prepaid expenses and other assets	82	93
Assets held for sale	-	1,857
Total assets	**$ 6,355**	**$ 8,271**
LIABILITIES		
Payables and accrued liabilities	$ 226	$ 275
Deferred revenue	48	52
Interest rate exchange agreements	115	119
Securities sold short	251	187
Long-term debt and commercial paper	309	1,235
Liabilities held for sale	-	428
Total liabilities	**949**	**2,296**
NET ASSETS		
Unrestricted net assets	2,898	3,279
Temporarily restricted net assets	1,224	1,461
Permanently restricted net assets	1,284	1,235
Total net assets	**5,406**	**5,975**
Total liabilities and net assets	**$ 6,355**	**$ 8,271**

Vanderbilt's assets, totaling $6,355 million as of June 30, 2016, decreased $1,916 million, or 23.2%, from the prior year, or $59 million, or 0.9%, excluding assets held for sale as of June 30, 2015. Total assets decreased primarily due to $1,857 million of assets as of June 30, 2015 transferred to VUMC through the Transaction. The endowment, net of securities sold short, returned -4.3% and its value, (after the impact of distributions in support of operations and the addition of new gifts and unrestricted quasi-endowments), decreased to $3,796 million at the end of fiscal 2016 from $4,093 million at the end of fiscal 2015.

Total liabilities of $949 million as of June 30, 2016, decreased $1,347 million, or 58.7%, from the prior year, or $919 million, or 49.2%, excluding liabilities held for sale as of June 30, 2015. Liabilities of $428 million as of June 30, 2015 transferred to VUMC through the Transaction and the associated defeasance of $849 million of debt drove this decrease.

Cash and Liquidity

Vanderbilt continues to invest operating assets in a conservative, diversified manner to ensure adequate security and liquidity under a variety of stress scenarios. As of June 30, 2016, Vanderbilt had operating and endowment assets available within 30 days of $1,887 million and same day liquidity of $1,014 million. This very strong liquidity position contributes to the university's ability to satisfy potential liquidity risks. Vanderbilt maintains the highest short-term ratings from the major credit rating agencies.

To provide supplemental liquidity support, Vanderbilt maintains an agreement with one bank to provide a general operating line of credit with a maximum available commitment totaling $100 million. In addition, Vanderbilt carries $300 million of total revolving credit facilities with two additional banks to provide dedicated self-liquidity support for the debt portfolio; one of these lines, totaling $100 million, includes a general use provision.

Debt

Vanderbilt's debt portfolio includes fixed-rate debt, variable-rate debt, and commercial paper, along with interest rate exchange agreements used for hedging interest rate exposure.

For the seventh consecutive year, Vanderbilt did not issue new-money debt. Debt defeasances on long-term debt and commercial paper, scheduled principal payments on long-term debt and elective reductions of commercial paper reduced total outstanding debt by $926 million to a balance of $309 million as of June 30, 2016.

During fiscal 2016, Vanderbilt terminated $115 million notional of fixed-payer interest rate exchange agreements in order to reduce the university's aggregate collateral exposure and eliminate ongoing settlement costs. Over the past seven fiscal years, Vanderbilt terminated $625 million of fixed-payer interest rate exchange agreements and incurred net amortization of $20 million. During fiscal 2016, in conjunction with the Transaction, Vanderbilt novated a $150 million fixed-payer interest rate exchange agreement, reducing its fixed-payer portfolio notional balance to $216 million at the end of fiscal 2016 as compared to $1,011 million at the end of fiscal 2009.

Statements of Activities

Consolidated Operating Revenues
in millions

	2016	2015
Tuition and educational fees, net of financial aid	$ 280	$ 272
Government grants and contracts	148	151
Private grants and contracts	31	27
F&A costs recovery	55	54
Contributions	113	83
Endowment distributions	185	165
Investment income	1	11
Trademark, license, and royalty	23	8
Affiliated entity revenue	262	289
Room, board, and other auxiliary services, net of financial aid	133	116
Other sources	40	32
Total operating revenues	**$ 1,271**	**$ 1,208**

Consolidated operating revenues increased $63 million, or 5.2%, to $1,271 million in fiscal 2016, as compared to $1,208 million in fiscal 2015. The primary drivers of this increase in fiscal 2016 were a $30 million increase in contribution revenue due to increased giving, and a $20 million increase in endowment distributions due to a higher approved distribution rate. Room, board, and auxiliary revenue increased $17 million primarily due to increased SEC revenue and amounts recognized pursuant to the Master Service Agreement and Ground Lease with VUMC. Trademark, license and royalty revenue increased $15 million primarily due to revenue generated under the Trademark Licensing Agreement with VUMC. Offsetting these increases, affiliated entity revenue decreased by $27 million in fiscal 2016 as compared to fiscal 2015.

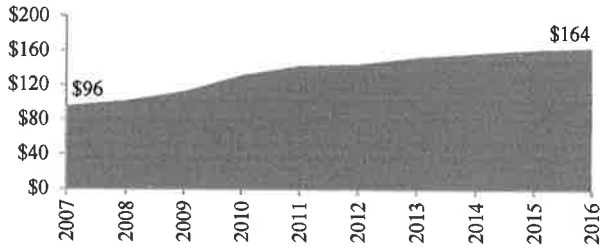
Tuition, Room, and Board
To facilitate Vanderbilt's commitment to student access and affordability, the university provides significant financial aid to students and their families. In fiscal 2016, Vanderbilt provided $248 million in support to its students for tuition and room and board as shown in the table below.

in millions	Undergraduate (6,883 students)	Graduate and Professional (5,684 students)	Total
Tuition and fees	$ 314	$ 181	$ 495
Financial aid[1]	(131)	(84)	(215)
Tuition and fees, net	**$ 183**	**$ 97**	**$ 280**
Room and board	$ 80	$ -	$ 80
Financial aid	(33)	-	(33)
Room and board, net	**$ 47**	**$ -**	**$ 47**
Total	**$ 230**	**$ 97**	**$ 327**

[1] Financial aid excludes Pell Grants of $4 million as these amounts represent agency funds.

Over the past decade, Vanderbilt nearly doubled its level of support for undergraduate aid, as shown in the following graph.

Undergraduate Financial Aid
fiscal 2006 - 2016, in millions



For undergraduate students, aid as a percentage of gross tuition, room and board, and educational fees in fiscal 2016 was 42%. A portion of operations ($91 million), endowments ($63 million), working capital investments ($6 million), external agencies ($3 million), and gifts ($1 million) funded this aid. The university's Opportunity Vanderbilt fundraising initiative, which began in fiscal 2009 to support undergraduate financial aid, is critical to this support. Through June 30, 2016, this initiative raised $250 million.

Grants and Contracts Revenue
The pool of direct grant revenue increased by 0.6%, or $1 million, from $178 million in fiscal 2015 to $179 million in fiscal 2016. Due largely to governmental budgetary constraints, government grants and contracts revenue, predominantly for research activities, declined $3 million, or 2.0%, to $148 million in fiscal 2016 from $151 million in fiscal 2015. Private grants and contracts direct revenues increased $4 million, or 14.8%, over the same period from $27 million in fiscal 2015 to $31 million in fiscal 2016.

As shown in the following table, the largest source of direct government grant and contract revenue was the Department of Health and Human Services (primarily National Institutes of Health, or NIH). Other external sources included the National Science Foundation, Department of Defense, Department of Education, Department of Energy, and other government agencies.

Grants and Contracts Revenues by Funding Source
in millions

	2016	%
Department of Health and Human Services	$ 76	51%
National Science Foundation	18	13%
Department of Defense	17	12%
Department of Education	17	12%
Department of Energy	8	5%
Other government agencies	12	7%
Total government grants and contracts revenues by funding source	**$ 148**	**100%**

Sponsored research and project awards (awards that represent research funding commitments that have not yet been expended by Vanderbilt), which include multiple-year grants and contracts from government sources, foundations, associations, and corporations, totaled $214 million in fiscal 2016 as shown in the following table.

Sponsored Research and Project Awards
in millions

	2016
Government awards	$ 178
Private awards	36
Total sponsored research and project awards	**$ 214**

Government awards accounted for 83% of the total unexpended sponsored awards at the end of fiscal 2016. Vanderbilt's continued support from government awards is particularly impressive given the pressures on federal funding, while sustained private awards signal Vanderbilt's continued success in diversifying its research award pipeline.

Contributions revenue

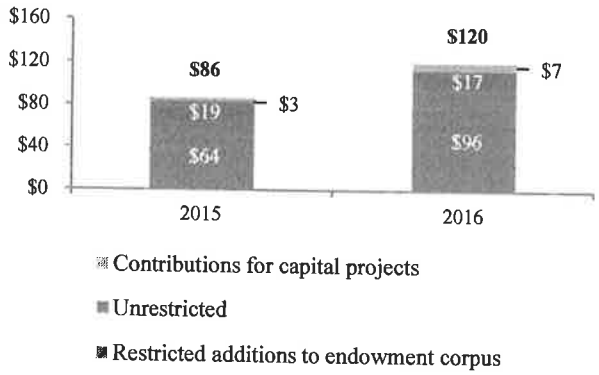
Vanderbilt reports contributions revenue within the consolidated financial statements based on GAAP. This basis for measurement differs from guidelines established by the Council for Advancement and Support of Education (CASE). CASE guidelines represent the development reporting standard for colleges and universities and focus on philanthropic distributions of private resources (primarily gifts and foundation grants) to benefit the public. Consolidated GAAP contributions below consist of contribution revenue of $113 million and gifts for plant of $7 million.

GAAP to CASE Reconciliation
in millions

	2016
Total consolidated GAAP contributions	$ 120
Grants and similar agreements meeting CASE guidelines (gifts per CASE standards)	11
Net increase in contributions receivable (fiscal 2015 to 2016)	(21)
Other	(6)
CASE reported gifts	**$ 104**
Add: VUMC CASE gifts	40
Total CASE reported gifts (cash basis)	**$ 144**

On a GAAP basis, in fiscal 2016, Vanderbilt recorded $120 million in contributions revenue, including pledges and contributions for plant, a 39.5% increase compared to $86 million in fiscal 2015.

Contributions (GAAP basis)
in millions



Operating Expenses
in millions

	2016	2015
Salaries, wages, and benefits	$ 644	$ 629
Supplies, services, and other	369	369
Interest expense	15	17
Depreciation and amortization	77	74
Grants to affiliates	24	25
Total operating expenses	**$ 1,129**	**$ 1,114**

Consolidated operating expenses increased $15 million, or 1.3%, to $1,129 million in fiscal 2016, as compared to $1,114 million in fiscal 2015. The primary driver of this increase was a $15 million, or 2.4%, increase in salaries, wages, and benefits to $644 million in fiscal 2016 from $629 million in fiscal 2015 driven by increased headcount and annual salary adjustments.

Consolidated Other Changes in Net Assets

Other changes in net assets included changes in appreciation of endowment, net of distributions, totaling $374 million in fiscal 2016, a decrease of $346 million compared to fiscal 2015. The change in appreciation for the endowment resulted from a 4.3% negative investment return and 4.7% of the endowment utilized for distributions during fiscal 2016, compared to a 3.7% investment return offset by 4.1% of the endowment utilized for distributions during fiscal 2015. Other changes in net assets also includes the impact of $27 million of unrealized losses on working capital invested alongside the endowment.

Vanderbilt incurred $77 million of costs associated with debt defeasance during fiscal 2016 with no such costs incurred in fiscal 2015. In fiscal 2016, Vanderbilt incurred net losses of $41 million on interest rate exchange agreements compared to $28 million in fiscal 2015. The fiscal year 2016 loss includes $44 million of costs attributable to $115 million notional value of fixed-payer swaps terminated, a $1 million unrealized loss to adjust the discount rate to reflect counterparty credit risk, partially offset by a $4 million unrealized mark-to-market gain due to the impact of terminated swaps offset by a decrease in 30-yr LIBOR. The fiscal year 2015 loss includes $22 million of costs attributable to $60 million notional value of fixed-payer swaps terminated, an $8 million unrealized loss to adjust the discount rate to reflect counterparty credit risk, partially offset by a $2 million unrealized mark-to-market gain due to the impact of terminated swaps offset by a decrease in 30-yr LIBOR.

Contributions for plant accounted for the remaining $7 million other changes in non-operating activity during fiscal 2016.

Net assets related to noncontrolling interests decreased $28 million due to distributions of $37 million offset slightly by $8 million of appreciation and $1 million of cash contributions during fiscal 2016.

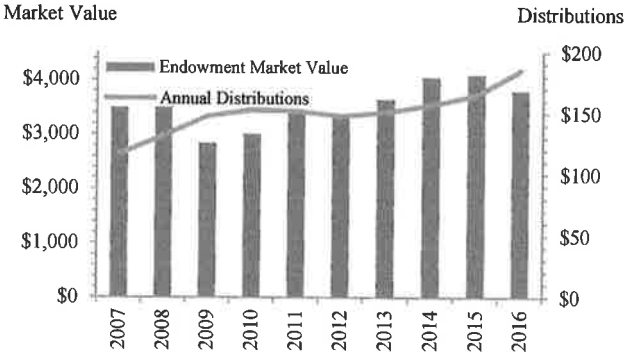
Endowment

For fiscal 2016, Vanderbilt's endowment portfolio returned -4.3%. The endowment, net of securities sold short, ended fiscal 2016 with a total market value of $3,796 million, compared to $4,093 million at the end of fiscal 2015. The difference between the investment return and change in absolute value of the endowment was attributable to the net impact of new endowment gifts, additions to institutional endowments (quasi-endowments), investment returns, costs for managing the endowment, and the distribution of endowment funds to support university operations. During fiscal 2016, the university added $154 million to the endowment portfolio through new gifts and additions to institutional endowments. Endowment distributions totaled $185 million in fiscal 2016, compared to $165 million in fiscal 2015. These distributions support the university's education, research, and public service missions.

The past year witnessed another choppy capital market environment. Global equity markets were down 4%, with wide dispersion across U.S. large caps (up 4%), U.S. small caps (down 7%), non-U.S. developed markets (down 13%), and emerging markets (down 12%). U.S. bond markets were sanguine (up 6%) as yields declined and credit spreads remained tight. Commodity prices continued to crash (down 26%) and the value of the U.S. dollar remained relatively flat on a trade-weighted basis.

Looking into the future, significant headwinds could still lie ahead. U.S. equity valuations are reasonably full, European equity markets are challenged by the volatility of the European Union and "Brexit" dynamics, and Asian markets are struggling in the midst of excessive leverage. And globally, markets are wrestling with government intervention, changing regulatory pressures, and slow-growth economies. In addition, conversations about when the U.S. Federal Reserve will normalize monetary policy and increase the Fed Funds rate continue to contribute to market volatility. That said, these challenges will from time to time present chances to be opportunistic in deploying new investments. Meanwhile, Vanderbilt is laying a strong foundation for the endowment by collaborating with some of the world's best investment managers across all asset classes.

Endowment Market Value and Annual Distributions
in millions



Endowment Asset Allocation
As of June 30, 2016 (% of portfolio)

	Allocation
Global equities	23.0%
Hedged strategies	18.5%
Commodities	2.9%
Fixed income	5.3%
Cash and cash equivalents	13.2%
Total public investments	**62.9%**
Private capital	27.7%
Real estate	4.5%
Natural resources	4.9%
Total nonmarketable	**37.1%**
Total endowment	**100.0%**

Looking Forward

We begin fiscal 2017 with a sense of renewed energy following a period marked with significant change. We acknowledge the ongoing financial pressures present to higher education posed by constrained federal research funding and volatility in the capital markets, but remain optimistic given our demonstrated sustained stability in academic and research areas.

Included in the pages that follow are Vanderbilt's audited financial statements, financial ratios, and other key financial metrics for fiscal 2016.

Financial Ratios[1]

Operating Cash Flow Margin

Unrestricted Operating Results before Interest and Depreciation / Unrestricted Operating Revenues

2015	2016
10.0%	13.3%

The *operating cash flow margin* measures the cash flow generated from each dollar of operating revenue. The resulting net cash flows may occur in the current or future years depending on changes in receivables and payables.

In fiscal 2016, Vanderbilt's unrestricted operating results before interest and depreciation increased 40.1% to $159 million from $113 million in fiscal 2015. Fiscal 2016 unrestricted operating revenues at $1,196 million represented a 5.4% increase from $1,135 million in fiscal 2015.

Total Wealth (in thousands)

Total Cash and Investments

2015	2016
$5,333,476	$5,009,687

Total wealth provides a measure of the assets available to create additional return through investment.

The decrease in total cash and investments from $5,333 million in fiscal 2015 to $5,010 million in fiscal 2016 was due primarily to a decrease in the investment market value to $3,964 million in fiscal 2016 from $4,356 million in fiscal 2015. This was partially offset by an increase in cash and cash equivalents of $96 million.

Operating Reserve

Spendable Cash and Investments / Operating Expenses before Depreciation

2015	2016
4.0x	3.6x

The *operating reserve* measures the ability of the university to cover its annual operating expenses using spendable financial resources.

Spendable cash and investments decreased 9.2% due to a decrease of $324 million in total cash and investments in fiscal 2016 and an increase in permanently restricted net assets of $48 million. Operating expenses before depreciation increased 1.3% from $1,039 million in fiscal 2015 to $1,053 million in fiscal 2016.

Monthly Days Cash on Hand

*Monthly Liquidity * 365 / Operating Expenses before Depreciation*

2015	2016
629 days	654 days

Monthly days cash on hand measures the number of days that the university is able to cover its operating expenses with cash.

Vanderbilt's monthly days cash on hand increased by 25 days in fiscal 2016 due to an increase in monthly liquidity offset by a $14 million increase in operating expense before depreciation.

Financial Leverage

Spendable Cash and Investments / Total Debt

2015	2016
3.3x	12.2x

Financial leverage provides a sense of the university's solvency and financial risk.

Vanderbilt's total debt decreased from $1,235 million in fiscal 2015 to $309 million in fiscal 2016 due to the defeasance and termination of a total $926 million in long term debt and commercial paper during the year. This was partially offset by a decrease in spendable cash and investments of $379 million in fiscal 2016.

Debt Affordability

Total Debt / Unrestricted Operating Results before Interest and Depreciation

2015	2016
10.9x	1.9x

Debt affordability provides a measure of the university's long-term financial obligations in relation to operating cash flows. A lower ratio indicates that the institution has improved its ability to meet its future obligations.

Vanderbilt's total debt decreased $926 million in fiscal 2016 and unrestricted operating results before interest and depreciation increased 40.1% to $159 million from $113 million in fiscal 2015.

(1) As a result of the Transaction, fiscal 2015 ratios have been recasted to reflect VUMC assets and liabilities held for sale as of June 30, 2015 and VUMC operations as discontinued for the year ended June 30, 2015.

VANDERBILT UNIVERSITY

Consolidated Financial Statements

pwc

Report of Independent Auditors

To the Board of Trust of
Vanderbilt University

We have audited the accompanying consolidated financial statements of Vanderbilt University (the "University"), which comprise the consolidated statements of financial position as of June 30, 2016 and 2015, and the related consolidated statements of activities and of cash flows for the years then ended.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the University's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Vanderbilt University at June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes 1 and 20 to the consolidated financial statements, the University disposed of its clinical services operations and the related assets and liabilities during the year ended June 30, 2016. Our opinion is not modified with respect to this matter.

PricewaterhouseCoopers LLP

October 4, 2016

Vanderbilt University
Consolidated Statements of Financial Position
As of June 30, 2016 and 2015 (in thousands)

	2016	2015
ASSETS		
Cash and cash equivalents	$ 963,001	$ 866,981
Accounts receivable, net	130,259	36,949
Prepaid expenses and other assets	20,814	24,302
Contributions receivable, net	90,269	68,959
Promissory notes receivable	99,166	-
Student loans and other notes receivable, net	34,329	35,438
Investments	3,963,630	4,355,541
Investments allocable to noncontrolling interests	83,056	110,954
Property, plant, and equipment, net	943,984	881,487
Interests in trusts held by others	26,601	33,545
Assets held for sale	-	1,857,028
Total assets	**$ 6,355,109**	**$ 8,271,184**
LIABILITIES		
Accounts payable and accrued liabilities	$ 82,569	$ 103,452
Accrued compensation and withholdings	80,044	106,745
Deferred revenue	48,202	51,633
Actuarial liabilities	39,816	41,865
Government advances for student loans	23,422	22,356
Commercial paper	84,530	263,454
Long-term debt	223,755	971,415
Fair value of securities sold short	251,855	187,431
Fair value of interest rate exchange agreements	115,169	119,373
Liabilities held for sale	-	428,451
Total liabilities	**949,362**	**2,296,175**
NET ASSETS		
Unrestricted net assets controlled by Vanderbilt	2,814,990	3,167,702
Unrestricted net assets related to noncontrolling interests	83,056	110,954
Total unrestricted net assets	2,898,046	3,278,656
Temporarily restricted net assets	1,224,134	1,461,162
Permanently restricted net assets	1,283,567	1,235,191
Total net assets	**5,405,747**	**5,975,009**
Total liabilities and net assets	**$ 6,355,109**	**$ 8,271,184**

The accompanying notes are an integral part of the consolidated financial statements.

Vanderbilt University
Consolidated Statement of Activities

Year Ended June 30, 2016 (in thousands)

	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES				
Tuition and educational fees	$ 495,330	$ -	$ -	$ 495,330
Less student financial aid	(215,563)	-	-	(215,563)
Tuition and educational fees, net	279,767	-	-	279,767
Grants and contracts:				
Government sponsors	147,980	-	-	147,980
Private sponsors	31,087	-	-	31,087
Facilities and administrative costs recovery	55,426	-	-	55,426
Total grants and contracts	234,493	-	-	234,493
Contributions	17,418	27,686	67,868	112,972
Endowment distributions	105,132	78,711	919	184,762
Investment income (loss)	15,685	(757)	(13,690)	1,238
Trademark, license, and royalty revenue	22,831	-	-	22,831
Affiliated entity revenue	262,524	-	-	262,524
Room, board, and other auxiliary services, net	132,500	-	-	132,500
Other sources	39,689	-	-	39,689
Net assets released from restrictions	86,394	(86,394)	-	-
Total revenues and other support	**1,196,433**	**19,246**	**55,097**	**1,270,776**
EXPENSES				
Salaries, wages, and benefits	643,886	-	-	643,886
Supplies, services, and other	369,473	-	-	369,473
Interest expense	14,839	-	-	14,839
Depreciation	76,909	-	-	76,909
Grants to affiliates	24,446	-	-	24,446
Total expenses	**1,129,553**	**-**	**-**	**1,129,553**
Change in unrestricted net assets from operating activity	**66,880**			
OTHER CHANGES IN NET ASSETS				
Change in appreciation of endowment, net of distributions	(150,188)	(218,988)	(4,457)	(373,633)
Change in appreciation of other investments	(27,430)	-	-	(27,430)
Change in appreciation of interest rate exchange agreements	(41,408)	-	-	(41,408)
Contributions for plant	3,213	3,870	-	7,083
Net assets released from restrictions for plant	7,827	(7,827)	-	-
Nonoperating net asset reclassifications	(2,700)	(1,457)	4,157	-
Debt defeasance costs	(76,599)	-	-	(76,599)
Total other changes in net assets	**(287,285)**	**(224,402)**	**(300)**	**(511,987)**
Increase (decrease) in net assets from continuing operations	**(220,405)**	**(205,156)**	**54,797**	**(370,764)**
Loss on discontinued operations	(132,307)	(31,872)	(6,421)	(170,600)
Increase (decrease) in net assets controlled by Vanderbilt	**(352,712)**	**(237,028)**	**48,376**	**(541,364)**
Decrease in net assets related to noncontrolling interests	**(27,898)**	**-**	**-**	**(27,898)**
Total increase (decrease) in net assets	**$ (380,610)**	**$ (237,028)**	**$ 48,376**	**$ (569,262)**
Net assets, June 30, 2015	**$ 3,278,656**	**$ 1,461,162**	**$ 1,235,191**	**$ 5,975,009**
Net assets, June 30, 2016	**$ 2,898,046**	**$ 1,224,134**	**$ 1,283,567**	**$ 5,405,747**

The accompanying notes are an integral part of the consolidated financial statements.

Vanderbilt University
Consolidated Statement of Activities
Year Ended June 30, 2015 (in thousands)

	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUES				
Tuition and educational fees	$ 489,018	$ -	$ -	$ 489,018
Less student financial aid	(216,815)	-	-	(216,815)
Tuition and educational fees, net	272,203	-	-	272,203
Grants and contracts:				
Government sponsors	150,760	-	-	150,760
Private sponsors	26,497	-	-	26,497
Facilities and administrative costs recovery	54,610	-	-	54,610
Total grants and contracts	231,867	-	-	231,867
Contributions	18,646	25,696	37,859	82,201
Endowment distributions	86,369	77,426	1,036	164,831
Investment income (loss)	12,274	131	(908)	11,497
Trademark, license, and royalty revenue	8,386	-	-	8,386
Affiliated entity revenue	289,018	-	-	289,018
Room, board, and other auxiliary services, net	115,698	-	-	115,698
Other sources	31,635	-	-	31,635
Net assets released from restrictions	69,428	(69,428)	-	-
Total revenues and other support	**1,135,524**	**33,825**	**37,987**	**1,207,336**
EXPENSES				
Salaries, wages, and benefits	628,626	-	-	628,626
Supplies, services, and other	368,850	-	-	368,850
Interest expense	16,769	-	-	16,769
Depreciation	74,478	-	-	74,478
Grants to affiliates	24,815	-	-	24,815
Total expenses	**1,113,538**	-	-	**1,113,538**
Change in unrestricted net assets from operating activity	**21,986**			
OTHER CHANGES IN NET ASSETS				
Change in appreciation of endowment, net of distributions	(10,454)	(18,242)	-	(28,696)
Change in appreciation of other investments	(1,987)	-	-	(1,987)
Change in appreciation of interest rate exchange agreements	(27,728)	-	-	(27,728)
Contributions for plant	2,714	577	-	3,291
Net assets released from restrictions for plant	17,153	(17,153)	-	-
Nonoperating net asset reclassifications	(7,735)	6,679	1,056	-
Total other changes in net assets	**(28,037)**	**(28,139)**	**1,056**	**(55,120)**
Increase in net assets from continuing operations	**(6,051)**	**5,686**	**39,043**	**38,678**
Income (loss) on discontinued operations	143,990	(12,006)	(286)	131,698
Increase (decrease) in net assets controlled by Vanderbilt	**137,939**	**(6,320)**	**38,757**	**170,376**
Decrease in net assets related to noncontrolling interests	**(39,113)**	-	-	**(39,113)**
Total increase (decrease) in net assets	**$ 98,826**	**$ (6,320)**	**$ 38,757**	**$ 131,263**
Net assets, June 30, 2014	**$ 3,179,830**	**$ 1,467,482**	**$ 1,196,434**	**$ 5,843,746**
Net assets, June 30, 2015	**$ 3,278,656**	**$ 1,461,162**	**$ 1,235,191**	**$ 5,975,009**

The accompanying notes are an integral part of the consolidated financial statements.

Vanderbilt University
Consolidated Statements of Cash Flows

Years Ended June 30, 2016 and 2015 (in thousands)

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets excluding discontinued operations	$ (398,661)	$ (434)
Adjustments to reconcile change in total net assets from continuing operations to net cash used in operating activities of continuing operations:		
Change in net assets related to noncontrolling interests	27,898	39,113
Realized and unrealized loss (gain) on investments, net	191,801	(164,292)
Contributions for plant and endowment	(24,490)	(54,211)
Contributions of securities other than for plant	(16,784)	(13,082)
Proceeds from sale of donated securities	1,372	2,590
Depreciation	76,909	74,478
Amortization of bond discounts and premiums	(4,225)	(4,600)
Payments to terminate interest rate exchange agreements	44,042	21,467
Loss from disposals of property, plant, and equipment	2,979	3,565
Net change in fair value of interest rate exchange agreements	(4,204)	(2,696)
Change in:		
Accounts receivable, net of accrued investment income	(93,506)	6,088
Prepaid expenses and other assets	3,487	8,127
Contributions receivable, net	(21,310)	526
Interests in trusts held by others	(125)	-
Accounts payable and accrued liabilities, net of nonoperating items	(9,307)	5,487
Accrued compensation and withholdings	(26,701)	(14,815)
Deferred revenue	(3,431)	1,906
Actuarial liabilities	(2,049)	(1,263)
Net cash used in operating activities of continuing operations	**(256,305)**	**(92,046)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(7,501,890)	(4,235,650)
Proceeds from sales of investments	7,773,493	4,300,697
Purchases of investments allocable to noncontrolling interests	(840)	(1,478)
Proceeds from sales of investments allocable to noncontrolling interests	36,968	48,685
Change in accrued investment income	196	(480)
Payments to terminate interest rate exchange agreements	(44,042)	(21,467)
Acquisitions of property, plant, and equipment	(136,642)	(110,868)
Proceeds from sale of business	622,187	-
Principal collected on promissory notes receivable	833	-
Student loans and other notes receivable disbursed	(5,050)	(1,337)
Principal collected on student loans and other notes receivable	6,159	6,150
Net cash provided by (used in) investing activities of continuing operations	**751,372**	**(15,748)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions for plant and endowment	24,490	54,211
Change in government advances for student loans	1,066	(10)
Payments to retire or defease debt	(923,359)	(112,269)
Proceeds from debt refinancing	-	58,608
Draw on line of credit	1,000	-
Proceeds from sale of donated securities restricted for endowment	15,412	10,492
Proceeds from noncontrolling interests in investment partnerships	840	1,478
Payments to noncontrolling interests in investment partnerships	(36,968)	(48,685)
Net cash used in financing activities of continuing operations	**(917,519)**	**(36,175)**
DISCONTINUED OPERATIONS		
Net cash provided by operating activities	174,107	222,303
Net cash used in investing activities	(93,570)	(24,752)
Net cash provided by (used in) financing activities	13,285	(6,671)
Net cash flows provided by discontinued operations	**93,822**	**190,880**
Net increase (decrease) in cash and cash equivalents	**(328,630)**	**46,911**
Cash and cash equivalents at beginning of year	**1,291,631**	**1,244,720**
Cash and cash equivalents at end of year	**963,001**	**1,291,631**
Less: cash and cash equivalents of businesses held for sale	-	**(424,650)**
Cash and cash equivalents of continuing operations, end of year	**963,001**	**866,981**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 57,725	$ 65,377
Donated securities	16,784	13,082
Noncash investing activities include:		
Purchases of investments on margin	$ (82,000)	$ -
Sales of investments on margin	18,016	-

The accompanying notes are an integral part of the consolidated financial statements.

Vanderbilt University
Notes to the Consolidated Financial Statements

1. Organization

The Vanderbilt University (Vanderbilt) is a private, coeducational, not-for-profit, nonsectarian institution located in Nashville, Tennessee. Founded in 1873, Vanderbilt owns and operates educational and research facilities as part of its mission to be a leading center for informed and creative teaching, scholarly research, and public service. Vanderbilt provides educational services to approximately 6,900 undergraduate and 5,700 graduate and professional students enrolled across its 10 schools and colleges.

The consolidated financial statements include the accounts of all entities in which Vanderbilt has a significant financial interest and over which Vanderbilt has control. On April 29, 2016, Vanderbilt transferred clinical services operations, post-graduate training programs, and clinical department research activities, along with the related assets and liabilities, to Vanderbilt University Medical Center ("VUMC"), a newly incorporated Tennessee not-for-profit corporation, in exchange for consideration of $1,230.0 million (the "Transaction"). The university retained the medical educational and academic activities and remains the degree-granting institution for the university's School of Medicine, School of Nursing, and clinical master's programs. The university retains control of all faculty appointments, graduate school PhD programs in the biomedical sciences, and research in basic science departments and related centers. As a separate legal entity, VUMC is not under common governance with or controlled by the university. Vanderbilt is not financially responsible for VUMC indebtedness.

Accordingly, the consolidated financial statements reflect VUMC operations prior to the Transaction date in discontinued operations for all periods presented. For more information on Vanderbilt's discontinued operations, see Note 20 to the consolidated financial statements. VUMC includes Vanderbilt University Hospitals and Clinics; Vanderbilt Medical Group, a physician practice plan; Vanderbilt Health Services, Inc., which includes wholly owned and joint ventured businesses primarily consisting of community physician practices, imaging services, outpatient surgery centers, radiation oncology centers, a home health care agency, a home infusion and respiratory service, an affiliated health network, and a rehabilitation hospital; and the clinical operations of the School of Medicine.

Vanderbilt eliminates all material intercompany accounts and transactions in consolidation.

2. Summary of Significant Accounting Policies

Basis of Presentation
The consolidated financial statements of Vanderbilt have been prepared on the accrual basis in accordance with U.S. generally accepted accounting principles (GAAP). Based on the existence or absence of donor-imposed restrictions, Vanderbilt classifies resources into three categories: unrestricted, temporarily restricted, and permanently restricted net assets.

Unrestricted net assets are free of donor-imposed restrictions. This classification includes all revenues, gains, and losses not temporarily or permanently restricted by donors. Vanderbilt reports all expenditures in the unrestricted class of net assets, since the use of restricted contributions in accordance with donors' stipulations results in the release of the restriction.

Temporarily restricted net assets contain donor-imposed stipulations that expire with the passage of time or that can be satisfied by action of Vanderbilt. These net assets may include unconditional pledges, split-interest agreements, interests in trusts held by others, and accumulated appreciation on donor-restricted endowments not yet appropriated by the Board of Trust for distribution.

Permanently restricted net assets are amounts held in perpetuity as requested by donors. These net assets may include unconditional pledges, donor-restricted endowments (at historical value), split-interest agreements, and interests in trusts held by others. Generally, the donors of these assets permit Vanderbilt to use a portion of the income earned on related investments for specific purposes.

Vanderbilt reports expirations of temporary restrictions on net assets, (i.e., the passage of time and/or fulfilling donor-imposed stipulations), as net assets released from restrictions between the applicable classes of net assets in the consolidated statements of activities.

Cash and Cash Equivalents
Cash and cash equivalents are liquid assets with minimal interest rate risk and maturities of three months or less when purchased. Such assets, reported at fair value, primarily consist of depository account balances, money market funds, and short-term U.S. Treasury securities. Cash designated for investment is included within investments in the accompanying consolidated statements of financial position.

Prepaid Expenses and Other Assets
Prepaid expenses and other assets primarily represent prepaid expenses and other segregated investment-related assets managed by third parties related to a legacy deferred compensation program that are earmarked to ultimately settle certain liabilities recorded in accrued payroll and withholdings. Vanderbilt excludes this latter group of assets, reported at fair value, from the investments category since it will not directly benefit from the investment return.

Promissory Notes Receivable
In conjunction with the Transaction, VUMC issued to Vanderbilt a $100 million promissory note (seller financing) paid over a 20-year period, $5 million annually at 3.25% interest.

Fair Value Measurements
Fair value measurements represent the price received to sell an asset or price paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP provides a hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at the measurement date. Inputs to the valuation techniques used are prioritized to measure fair value by giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

Vanderbilt gives consideration to certain investment funds that do not have readily determinable fair values including private investments, hedge funds, real estate, and other funds. Vanderbilt uses net asset value per share or its equivalent in estimating the fair value of interests in investment companies for which a readily determinable fair value is not available. Pursuant to ASU 2015-07, Vanderbilt reports these assets separately within the fair value hierarchy.

Investments
Vanderbilt reports investments at fair value using the three-level hierarchy established under GAAP. After review and evaluation, Vanderbilt utilizes estimates provided by fund managers for certain alternative investments, mainly investments in limited partnerships where a ready market for the investments does not exist.

Vanderbilt has exposure to a number of risks including liquidity, interest rate, counterparty, basis, tax, regulatory, market, and credit risks for both marketable and nonmarketable securities. Due to the level of risk exposure, it is possible that near-term valuation changes for investment securities will occur to an extent that could materially affect the amounts reported in Vanderbilt's financial statements.

Vanderbilt sometimes uses derivatives to manage investment market risks and exposure. The consolidated financial statements contain derivatives, which consist of both internally managed transactions and those entered into through external investment managers, at fair value. The most common instruments utilized are futures contracts and hedges against currency risk for investments denominated in other than U.S. dollars. For internally managed transactions, Vanderbilt utilizes futures contracts with durations of less than three months.

Vanderbilt records purchases and sales of securities on the trade dates, and realized gains and losses are determined based on the average historical cost of the securities sold. Vanderbilt reports net receivables and payables arising from unsettled trades as a component of investments.

Unless donor-restricted endowment gift agreements require separate investment, Vanderbilt manages all endowment investments as an investment pool.

Investments Allocable to Noncontrolling Interests and Net Assets Related to Noncontrolling Interests
Vanderbilt reports the respective assets for entities in which other organizations are minority equity participants at fair value as investments allocable to noncontrolling interests on the consolidated statements of financial position.

The balance representing such organizations' minority or noncontrolling interests is recorded based on contractual provisions, which represent an estimate of a settlement value assuming the entity was liquidated in an orderly fashion as of the report date.

Split-Interest Agreements and Interests in Trusts Held by Others
Vanderbilt's split-interest agreements with donors consist primarily of irrevocable charitable remainder trusts, charitable gift annuities, and life income funds for which Vanderbilt serves as trustee. Vanderbilt reports assets held in these trusts in investments at fair value. Vanderbilt recognizes contribution revenue at the dates the trusts are established, net of the liabilities for the present value of the estimated future payments to the donors and/or other beneficiaries. Annually, Vanderbilt records the change in fair value of split-interest agreements based on the assets that are associated with each trust and recalculates the liability for the present value of the estimated future payments to the donors and/or other beneficiaries.

Vanderbilt is also the beneficiary of certain trusts held and administered by others. Vanderbilt records its share of these trust assets at fair value as interests in trusts held by others with any resulting gains or losses reported as investment income.

Property, Plant, and Equipment
Purchased property, plant, and equipment, recorded at cost, includes, where appropriate, capitalized interest on construction financing net of income earned on unspent proceeds. Vanderbilt capitalizes donated assets at fair value on the date of donation, expenses repairs and maintenance costs as incurred, and expenses additions to the library collection at the time of purchase.

Vanderbilt calculates depreciation using the straight-line method to allocate the cost of various classes of assets over their estimated useful lives (10 to 50 years for buildings and building improvements, the shorter of the asset life or life of the lease for leasehold improvements, and 3 to 20 years for machinery and equipment). Vanderbilt removes property, plant, and equipment from the accounting records upon disposal.

Conditional asset retirement obligations related to legal requirements to perform certain future activities associated with the retirement, disposal, or abandonment of assets are accrued utilizing site-specific surveys to estimate the net present value for applicable future costs, (e.g., asbestos abatement or removal).

Vanderbilt reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Vanderbilt recognizes an impairment charge when the fair value of the asset or group of assets is less than the carrying value. Refer to Note 9 to the consolidated financial statements for further discussion.

Debt Portfolio Financial Instruments
Vanderbilt reports long-term debt at carrying value. The carrying value of Vanderbilt's debt is the par amount adjusted for the net unamortized amount of bond premiums and discounts. Vanderbilt employs derivatives, primarily interest rate exchange agreements, to help manage interest rate risks associated with variable-rate debt. The consolidated statements of activities include any gain or loss resulting from recording the fair value of derivative financial instruments as a nonoperating item. In addition to the credit risk of the counterparty owing a balance, Vanderbilt calculates the fair value of interest rate exchange agreements based on the present value sum of future net cash settlements that reflect market yields as of the measurement date and reports periodic net cash settlement amounts with counterparties as adjustments to interest expense on the related debt.

Parties to interest rate exchange agreements are subject to risk for changes in interest rates as well as risk of credit loss in the event of nonperformance by the counterparty. Vanderbilt deals only with high-quality counterparties that meet rating criteria for financial stability and credit worthiness. Additionally, the agreements require the posting of collateral when amounts subject to credit risk under the contracts exceed specified levels.

Revenue Recognition
Vanderbilt's revenue recognition policies are:

Tuition and educational fees, net—Vanderbilt recognizes student tuition and educational fees as revenues in the year the related academic services occur and defers amounts received in advance of services rendered. Vanderbilt reflects financial aid provided for tuition and educational fees as a reduction of the respective revenues.

Financial aid does not include payments made to students for services provided to Vanderbilt or financial aid applied to undergraduate room and board.

Grants and contracts—Vanderbilt recognizes revenues from grants and contracts when allowable expenditures under such agreements occur.

Facilities and administrative (F&A) costs recovery—Vanderbilt recognizes F&A costs recovery as revenue. This activity represents reimbursement, primarily from the federal government, of F&A costs on sponsored activities. Vanderbilt's federal F&A costs recovery rate for on-campus research was 57% in both fiscal 2016 and 2015. Vanderbilt's federal F&A costs recovery rate for off-campus research was 28.5% in both fiscal 2016 and 2015.

Trademark, license, and royalty revenue— The Trademark License Agreement (TML) between Vanderbilt and VUMC comprises the majority of trademark, license, and royalty revenue. Vanderbilt recognizes trademark, license, and royalty revenues in accordance with the terms of the underlying agreements.

Affiliated entity revenue—Affiliated entity revenue represents amounts received from VUMC to support and ensure sustainability of upstream research pipeline and other academic initiatives and to compensate Vanderbilt for the provision of operating and capital infrastructure services to VUMC, primarily in campus infrastructure, campus safety and security, and various support functions. Vanderbilt recognizes affiliated entity revenues as the related services are provided in accordance with the terms of the underlying agreements with VUMC.

Contributions

Vanderbilt recognizes unconditional promises to give (pledges) as contribution revenue upon receipt of a commitment from the donor. Vanderbilt records pledges with payments due in future periods as increases in temporarily restricted or permanently restricted net assets at the estimated present value of future cash flows, net of an allowance for estimated uncollectible promises. Vanderbilt calculates an allowance for uncollectible contributions receivable based upon an analysis of past collection experience and other judgmental factors.

Vanderbilt records contributions with donor-imposed restrictions as unrestricted revenue if the university meets the restrictions and receives the contribution in the same reporting period. Otherwise, Vanderbilt records contributions with donor-imposed restrictions as increases in temporarily restricted or permanently restricted net assets, depending on the nature of the restriction.

After meeting donor stipulations, Vanderbilt releases contributions recorded as temporarily restricted from restrictions and recognizes these contributions as unrestricted net assets. Vanderbilt releases from restrictions contributions for plant facilities and recognizes these contributions as a nonoperating item only after incurring expenses for the applicable plant facilities or when the related asset is placed in service based on donor intent.

In contrast to unconditional promises as described above, Vanderbilt does not record conditional promises (primarily bequest intentions) until the university substantially meets donor contingencies.

Unrestricted Operating Results

Unrestricted operating results (change in unrestricted net assets from operating activity) in the consolidated statements of activities reflect all transactions that change unrestricted net assets, except for nonoperating activity related to endowment and other investments, changes in the fair value of derivative financial instruments, contributions for plant facilities, and certain other nonrecurring items.

Endowment distributions reported as operating revenue consist of endowment return (regardless of when such income arose) distributed to support current operational needs in the current period. Vanderbilt's Board of Trust approves the distribution amount from the endowment pool on an annual basis, determined by applying a spending rate to an average of the previous three calendar year-end market values. The primary objective of the endowment distribution methodology is to reduce the impact of capital market fluctuations on operational programs.

Operating investment income consists of dividends, interest, and gains and losses on unrestricted, non-endowed investments directly related to core operating activities, as well as investment returns on Vanderbilt's working capital assets. For working capital assets invested in long-term pooled investments managed in conjunction with endowment funds, the amount resulting from pre-established distributions from pooled investments is deemed operating investment income; the difference between total returns for these pooled investments and the aforementioned pre-established distributions is reported as nonoperating activity. Operating investment income excludes investment returns on segregated gift funds and funds set aside for nonoperating purposes such as segregated assets for self-insurance relative to malpractice and professional liability and assets on deposit with trustees.

Vanderbilt allocates management and administrative support costs attributable to divisions that primarily provide auxiliary services based upon institutional budgets. Thus, institutional support expense reported in the functional expense footnote relates to Vanderbilt's other primary programs such as instruction, research, and public service.

Vanderbilt allocates costs related to the operation and maintenance of physical plant, including depreciation of plant assets, to operating programs and supporting activities based upon facility usage. Additionally, the university allocates interest expense to the activities that have benefited most directly from the debt proceeds.

Income Taxes

Vanderbilt is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code), and generally is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Vanderbilt is, however, subject to federal and state income tax on unrelated business income, and provision for such taxes is included in the accompanying consolidated financial statements.

Use of Estimates

The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses during the reporting period as well as the disclosure of contingent assets and liabilities. Actual results ultimately could differ from management's estimates.

Reclassifications

Pursuant to the Transaction, Vanderbilt reclassified certain prior year amounts to discontinued operations to conform to current year presentation in accordance with ASU 2014-08. These reclassifications have no impact on Vanderbilt's total assets, total liabilities, or net assets. Vanderbilt reclassified VUMC operating results from continuing operations to discontinued operations for each period presented.

Subsequent Events
Vanderbilt evaluated events subsequent to June 30, 2016, through October 4, 2016, the date of issuance of the consolidated financial statements. During this period, Vanderbilt terminated fixed-payer interest rate exchange agreements with notional values totaling $500 million. Additionally, Vanderbilt completed transactions resulting in the sale of investments in general partnerships for cash proceeds of $42.7 million and a receivable of $17.1 million due to Vanderbilt in July 2018. Vanderbilt did not identify any other material subsequent events for recognition or disclosure.

Recent Accounting Pronouncements
Vanderbilt adopted Accounting Standards Update (ASU) 2014-08, Presentation of Financial Statements and Property, Plant, and Equipment—Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity for fiscal 2016 and presented the operating results, financial position, and cash flows of VUMC as discontinued operations in the accompanying financial statements accordingly. In accordance with ASU 2014-08, discontinued operations disclosures are required for all of the same periods presented in the entity's results of operations for the period. Refer to Note 20 to the consolidated financial statements for additional information and disclosures.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers. ASU 2014-09 outlines a single comprehensive standard for revenue recognition across all industries and supersedes most existing revenue recognition guidance. In addition, ASU 2014-09 will require new and enhanced disclosures. ASU 2014-09 will become effective for annual reporting periods beginning after December 15, 2017. Vanderbilt is currently evaluating the effect of adoption to the financial statements.

In April 2015, the FASB issued ASU 2015-05, Customer's Accounting for Fees Paid in a Cloud Computing Arrangement. ASU 2015-05 clarifies how customers in cloud computing arrangements should determine whether arrangements include a software license. The standard also eliminates the requirement that customers analogize to the leases standard when determining the asset acquired in a software licensing arrangement. ASU is effective for fiscal years beginning after December 15, 2016 with early adoption permitted. Vanderbilt early adopted ASU 2015-05 for fiscal 2016 and capitalized approximately $2 million of costs associated with implementation efforts.

In May 2015, the FASB issued ASU 2015-07, Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent). ASU 2015-07 excludes from the fair value hierarchy investments measured using the net asset value ("NAV") practical expedient and removes the requirement to categorize within the fair value hierarchy investments measured at fair value using the NAV. The provisions of ASU 2015-07 are effective for fiscal years beginning after December 15, 2016, with early adoption permitted and requires retrospective application to all periods presented. Vanderbilt early adopted ASU 2015-07 for fiscal 2016. Note 13 to the consolidated financial statements addresses the effects of adoption with fiscal 2015 information adjusted to conform to this presentation.

In January 2016, the FASB issued ASU 2016-01, Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities. ASU 2016-01 affects all entities that hold financial assets or owe financial liabilities and primarily affects the accounting for equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. The standard is effective for non-public business entities for annual periods beginning after December 15, 2018. Vanderbilt early adopted the provisions of ASU 2016-01 eliminating the fair value disclosures for financial instruments not recognized at fair value for fiscal 2016.

In February 2016, the FASB issued ASU 2016-02, Leases. ASU 2016-02 requires recognition of rights and obligations arising from lease contracts, including existing and new arrangements, as assets and liabilities on the balance sheet. ASU 2016-02 is effective for annual reporting periods beginning after December 15, 2018. Vanderbilt is currently evaluating the effect of adoption to the financial statements.

In August 2016, the FASB issued ASU 2016-14, Presentation of Financial Statements for Not-for-Profit Entities, which revises the not-for-profit financial reporting model. Among other provisions, ASU 2016-14 requires enhanced disclosures around the nature and amount of net asset restrictions (both donor-imposed and board-designated), as well as enhanced disclosures regarding how entities manage their liquidity. ASU 2016-14 is effective for fiscal years beginning after December 15, 2017. Vanderbilt is currently evaluating the effect of adoption to the financial statements.

3. Accounts Receivable

Accounts receivable as of June 30 were as follows *(in thousands)*:

2016

	Gross Receivable	Bad Debt Allowance	Net Receivable
Receivable on secondary sale	$ 54,389	$ -	$ 54,389
Research and sponsored programs	26,265	-	26,265
VUMC service level agreements	22,370	-	22,370
Tuition and fees	7,094	(1,853)	5,241
Accrued investment income	2,485	-	2,485
Other	19,509	-	19,509
Accounts receivable and related allowance	**$ 132,112**	**$ (1,853)**	**$ 130,259**

2015

	Gross Receivable	Bad Debt Allowance	Net Receivable
Research and sponsored programs	$ 24,774	$ -	$ 24,774
Tuition and fees	6,199	(1,885)	4,314
Accrued investment income	2,681	-	2,681
Other	5,180	-	5,180
Accounts receivable and related allowance	**$ 38,834**	**$ (1,885)**	**$ 36,949**

The balance at June 30, 2016, includes $54.4 million related to a secondary sale of investments in general partnerships and $22.4 million related to service agreements with Vanderbilt University Medical Center. These receivables account for 58.9% of total net receivables at June 30, 2016, with no corresponding balances at June 30, 2015.

4. Contributions Receivable

Contributions receivable as of June 30 were as follows *(in thousands)*:

	2016	2015
Unconditional promises expected to be collected:		
in one year or less	$ 51,004	$ 36,239
between one year and five years	48,208	42,353
in more than five years	1,776	502
Contributions receivable	100,988	79,094
Less: Discount	(1,711)	(1,294)
Less: Allowance for uncollectible promises	(9,008)	(8,841)
Contributions receivable, net	**$ 90,269**	**$ 68,959**

Vanderbilt discounts contributions receivable at a rate commensurate with the scheduled timing of receipt. Vanderbilt applied discount rates ranging from 0.5% to 1.5% to amounts outstanding as of June 30, 2016, and June 30, 2015. Vanderbilt's methodology for calculating an allowance for uncollectible promises consists of analyzing write-offs as a percentage of gross pledges receivable along with assessing the age and activity of outstanding pledges. The balance at June 30, 2016 includes a $12.0 million receivable from VUMC in support of trans-institutional programs (TIPs). This receivable accounts for 13.3% of total net contributions receivable at June 30, 2016, which VUMC will pay no later than June 30, 2017.

In addition to pledges reported as contributions receivable, Vanderbilt had cumulative bequest intentions and conditional promises to give of approximately $251.0 million and $246.2 million as of June 30, 2016 and 2015, respectively. Due to their conditional nature, Vanderbilt does not recognize intentions to give as assets.

Contributions receivable, net as of June 30, were as follows *(in thousands)*:

	2016	2015
Contributions receivable, net:		
Temporarily restricted	$ 32,525	$ 25,350
Permanently restricted	57,744	43,609
Total	**$ 90,269**	**$ 68,959**

5. Student Loans and Other Notes Receivable

Student loans and other notes receivable as of June 30 were as follows *(in thousands)*:

2016

	Gross Receivable	Bad Debt Allowance	Net Receivable
Federal loans	$ 24,058	$ (2,178)	$ 21,880
Institutional loans	11,463	(3,060)	8,403
Faculty mortgages	4,046	-	4,046
Student loans, other notes receivable and related allowance	**$ 39,567**	**$ (5,238)**	**$ 34,329**

2015

	Gross Receivable	Bad Debt Allowance	Net Receivable
Federal loans	$ 22,489	$ (2,146)	$ 20,343
Institutional loans	17,095	(6,637)	10,458
Faculty mortgages	4,637	-	4,637
Student loans, other notes receivable and related allowance	**$ 44,221**	**$ (8,783)**	**$ 35,438**

Vanderbilt remains committed to "no loans" for its undergraduate students, meaning that the university is meeting full demonstrated financial need with scholarship and grant assistance. For other groups (e.g., professional school students), participation in several federal revolving loan programs, including the Perkins, Nursing, and Health Professionals Student Loan programs, has continued. Vanderbilt carries loans to students at cost, which, based on secondary market information, approximates the fair value of education loans with similar interest rates and payment terms. The availability of funds for new loans under these programs is dependent on reimbursements to the pool from repayments on outstanding loans. Vanderbilt assigns loans receivable from students under governmental loan programs, also carried at cost, to the federal government or its designees. Vanderbilt classifies refundable advances from the federal government as liabilities in the consolidated statements of financial position. Outstanding loans cancelled under a governmental program result in a reduction of the funds available for loan and a decrease in the university's liability to the government.

Vanderbilt establishes bad debt allowances based on prior collection experience and current economic factors, which, in management's judgment, could influence the ability of loan recipients to repay amounts due. When deemed uncollectible, Vanderbilt writes off institutional loan balances.

As part of Vanderbilt's efforts to attract and retain a world-class faculty, Vanderbilt provides various incentives and historically provided home mortgage financing assistance in select situations. Such receivables amounting to $4.0 million were outstanding at June 30, 2016. Deeds of trust on properties concentrated in the surrounding region collateralize these notes. Vanderbilt has not recorded an allowance for doubtful accounts against these loans based on their collateralization and prior collection history.

6. Investments

Investments consist of the following as of June 30 *(in thousands)*:

	2016	2015
Derivative contract collateral and short-term securities[1]	$ 36,908	$ 82,139
Global equities[1]	977,150	1,010,063
Fixed income [5]	242,042	240,002
Hedged strategies[6]	771,102	904,782
Private capital [3]	1,216,653	1,406,330
Real estate [3]	211,854	228,975
Natural resources [3]	206,868	294,298
Commodities[2]	120,378	98,312
Trusts [4]	3,909	4,258
Other investments[4]	7,967	9,905
Total value, net of securities sold short	**$ 3,794,831**	**$ 4,279,064**
Fair value of securities sold short	$ 251,855	$ 187,431
Total value	**$ 4,046,686**	**$ 4,466,495**
Total cost	**$ 3,228,731**	**$ 3,488,018**

[1] Quoted prices in active markets determine fair value or fund managers provide the net asset value per share of the specific investment to establish fair value.
[2] Quoted prices in active markets determine fair value.
[3] Fund managers provide the net asset value of Vanderbilt's ownership interests at the fund level to establish fair value.
[4] Carrying value provides a reasonable estimate of fair value for certain components.
[5] Quoted prices in active markets determine fair value or fund managers provide the net asset value per share of the specific investment to establish fair value. Includes $32 million of equity short positions in fiscal 2015, with no corresponding amounts in fiscal 2016.
[6] Quoted prices in active markets determine fair value or fund managers provide the net asset value per share of the specific investment to establish fair value. Includes $252 million and $155 million of equity short positions in fiscal 2016 and 2015, respectively, and includes $325 million and $250 million of cash and cash equivalents classified as investments in fiscal 2016 and 2015, respectively.

Included in the amounts reported in the table above are investments allocable to noncontrolling interests (i.e., minority limited partners) reported at fair value. During fiscal 2016, the minority limited partners funded capital commitments totaling $0.9 million. Additionally, Vanderbilt made payments to the minority limited partners of $40.0 million reflecting a distribution of earnings and returned capital from the underlying private fund assets. The balance of unrestricted net assets related to noncontrolling interests, calculated in accordance with the partnership agreements, was $83.1 million as of June 30, 2016.

Investments, along with cash and cash equivalents, provide liquidity support for Vanderbilt's operations. Of these combined amounts, based on prevailing market conditions as of June 30, 2016, $1,014.3 million of liquid assets were available on a same-day basis and an additional $873.0 million was available within 30 days.

Derivative contract collateral and short-term securities are composed primarily of amounts posted as collateral in accordance with interest rate exchange agreements and unspent bond proceeds with trustees.

Global equities consist of investment funds globally diversified across public markets including U.S. markets, other developed markets, and emerging and frontier markets. Fund managers of these investments have the ability to shift investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to a net short position.

Fixed income includes investments directed towards capital preservation and predictable yield as well as more opportunistic strategies focused on generating return on price appreciation. These investments are primarily public investments such as U.S. Treasuries and other government obligations, investment-grade corporate bonds, high-yield corporate bonds, bank debt, commercial mortgage-backed securities, residential non-agency mortgage-backed securities, asset-backed securities, direct lending, and below investment-grade developed and emerging market sovereign debt. Vanderbilt may make investments through commingled vehicles, separately managed accounts, synthetic transactions, and limited partnership interests.

Hedged strategies investments reflect multiple strategies such as event driven, relative value, and equity funds to diversify risks and reduce volatility in the portfolio generally in hedge fund structures. These strategies also include investments in both long and short primarily credit-oriented securities. Investments may include mortgage-backed securities, trade finance, debt and asset-backed securities, repurchase agreements, senior loans, bank loans, and cash designated for investment. The fair value of open short positions is recorded as a liability and the university records an unrealized gain or loss to the extent of the difference between the proceeds received and the value of the open short position. By entering into short sales, the university bears the market risk of increases in the value of the security sold short in excess of the proceeds received. Possible losses from short sales differ from losses that could be incurred from purchases of securities because losses from short sales may be unlimited whereas losses from purchases cannot exceed the total amount invested.

Private capital consists of illiquid investments in buyouts, distressed debt, mezzanine debt, growth equity, and venture capital. Vanderbilt may make investments through commingled vehicles, separately managed accounts, synthetic transactions, limited partnership interests, and direct investments.

Real estate comprises illiquid investments in residential and commercial real estate assets, projects, publicly traded REITs or land held directly through separately managed accounts, limited partnership interests, and direct investments in properties. The nature of the investments in this category is such that distributions generally reflect liquidation of the underlying assets of the funds.

Natural resources include illiquid investments in timber, oil and gas production, mining, energy, and related services businesses held directly or in commingled limited partnership funds.

Commodities include public investments such as commodity futures, commodity-related equities, and private investments in energy, power, infrastructure, and timber. Investments may be made through commingled vehicles, separately managed accounts, synthetic transactions, limited partnership interests, and direct investments.

Trusts are Vanderbilt's split-interest agreements with donors.

7. Investment Return

A summary of investment return, including endowment distributions, by net asset category for the fiscal years ended June 30 follows *(in thousands)*:

	2016	2015
OPERATING		
Unrestricted:		
Endowment distributions	$ 105,132	$ 86,369
Investment income	15,685	12,274
Total operating return	**120,817**	**98,643**
NONOPERATING		
Unrestricted:		
Change in appreciation of institutional endowments, net of distributions	(150,188)	(10,454)
Change in appreciation of other investments	(27,430)	(1,987)
Temporarily restricted:		
Endowment distributions	78,711	77,426
Investment (loss) income	(757)	131
Change in appreciation of donor-restricted endowments, net of distributions	(218,988)	(18,242)
Permanently restricted:		
Endowment distributions	919	1,036
Investment loss	(13,690)	(908)
Change in appreciation of donor-restricted endowments, net of distributions	(4,457)	-
Total nonoperating return	**$ (335,880)**	**$ 47,002**
Total investment return	**$ (215,063)**	**$ 145,645**

The components of total investment return for the fiscal years ended June 30 were as follows *(in thousands)*:

	2016	2015
Interest, dividends, and partnership losses, net of fees	$ (23,262)	$ (18,647)
Net realized gains	46,933	304,104
Change in unrealized appreciation	(238,734)	(139,812)
Total investment return	**$ (215,063)**	**$ 145,645**

In addition to a core group of investment professionals dedicated to the management of Vanderbilt's endowment, Vanderbilt employs external investment managers. Particularly for alternative investments such as hedge funds, investment manager fee structures frequently have a base component along with a performance component relative to the entire life of the investments. Under these arrangements, management fees are frequently subject to substantial adjustments based on cumulative future returns for a number of years hence.

Vanderbilt reports investment returns net of returns attributed to limited partners on investments allocable to noncontrolling interests.

Vanderbilt incurred internal investment management costs of $12.7 million in fiscal 2016 and $9.9 million in fiscal 2015. Fees paid directly to external investment managers (i.e., segregated investment account fees) totaled $17.5 million and $13.8 million in fiscal 2016 and 2015, respectively. Vanderbilt reports investment returns net of these external manager fees.

8. Endowment

Endowment-related assets include donor-restricted endowments and institutional endowments (quasi-endowments). Vanderbilt's endowment does not include gift annuities, interests in trusts held by others, contributions pending donor designation, or contributions receivable.

The Board of Trust's interpretation of its fiduciary responsibilities for donor-restricted endowments under the Uniform Prudent Management of Institutional Funds Act (UPMIFA) requirements, barring the existence of any donor-specific provisions, is to preserve intergenerational equity. Under this broad guideline, future endowment beneficiaries should receive at least the same level of real economic support as the current generation. The overarching objective is to preserve and enhance the real (inflation-adjusted) purchasing power of the endowment in perpetuity. Vanderbilt invests assets to provide a relatively predictable and stable stream of earnings to meet spending needs and attain long-term return objectives without the assumption of undue risks.

UPMIFA specifies that unless stated otherwise in a gift instrument, donor-restricted assets in an endowment fund are restricted assets until appropriated for expenditure. Barring the existence of specific instructions in gift agreements for donor-restricted endowments, Vanderbilt reports the historical value for such endowments as permanently restricted net assets and the net accumulated appreciation as temporarily restricted net assets. In this context, historical value represents the original value of initial contributions restricted as permanent endowments plus the original value of subsequent contributions and, if applicable, the value of accumulations made in accordance with the direction of specific donor gift agreements.

Specific appropriation for expenditure of Vanderbilt's endowment funds occurs each spring when the Board of Trust approves the university's operating budget for the ensuing fiscal year. For fiscal years 2016 and 2015, Vanderbilt's Board of Trust approved endowment distributions based on 5.0% and 4.5%, respectively, of the average of the previous three calendar year-end market values. Vanderbilt reinvests actual realized endowment return earned in excess of distributions. For years when the endowment return is less than the distribution, the endowment pool's cumulative returns from prior years cover the shortfall.

Vanderbilt may not fully expend Board-appropriated endowment distributions in a particular fiscal year. In some cases, Vanderbilt will approve endowment distributions for reinvestment into the endowment.

A summary of Vanderbilt's endowment for the fiscal years ended June 30 follows (*in thousands*):

2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowments at historical value	$ -	$ 23,067	$ 1,178,406	$ 1,201,473
Accumulated net appreciation of donor-restricted endowments	-	1,086,624	-	1,086,624
Reinvested distributions of donor-restricted endowments				
At historical value	82,582	19,636	-	102,218
Accumulated net appreciation	81,605	1,400	-	83,005
Institutional endowments				
At historical value	479,188	-	-	479,188
Accumulated net appreciation	843,078	-	-	843,078
Endowment net assets as of June 30, 2016	**$ 1,486,453**	**$ 1,130,727**	**$ 1,178,406**	**$ 3,795,586**

2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowments at historical value	$ -	$ 22,021	$ 1,123,852	$ 1,145,873
Accumulated net appreciation of donor-restricted endowments	-	1,311,212	-	1,311,212
Reinvested distributions of donor-restricted endowments				
At historical value	95,019	11,696	-	106,715
Accumulated net appreciation	106,541	2,285	-	108,826
Institutional endowments				
At historical value	442,711	-	-	442,711
Accumulated net appreciation	978,051	-	-	978,051
Endowment net assets as of June 30, 2015	**$ 1,622,322**	**$ 1,347,214**	**$ 1,123,852**	**$ 4,093,388**

The components of the life-to-date accumulated net appreciation of pooled endowments as of June 30 were as follows *(in thousands)*:

	2016	2015
Net realized appreciation less endowment distributions	$ 1,640,491	$ 1,733,802
Net unrealized appreciation	372,216	664,287
Total	**$ 2,012,707**	**$ 2,398,089**

In striving to meet the overarching objectives for the endowment, over the past 20 years the university has experienced a 12% annualized standard deviation in its returns. This level of risk is consistent with that accepted by peer institutions. Currently, the endowment portfolio consists of three primary components designed to serve a specific role in establishing the right balance between risk and return. These three components are global, public, and private equity investments. Vanderbilt expects these three components, including private capital and many hedge funds, to produce favorable returns in environments of accelerated growth and economic expansion. Vanderbilt expects hedged strategies and fixed income investments to generate stable returns and preserve capital during periods of poor equity performance. Vanderbilt uses real estate and natural resources allocations to provide an inflation hedge.

From time to time, the fair value of assets associated with an endowed fund may fall below the level that a donor or UPMIFA requires in terms of maintenance of perpetual duration endowments. As of June 30, 2016 and 2015, Vanderbilt had deficiencies of this nature of approximately $14.4 million consisting of 573 endowments and $1.5 million consisting of 66 endowments, respectively. These deficiencies resulted from unfavorable market declines that occurred after the investment of recent permanently restricted contributions. Vanderbilt believes these declines are modest in relation to the total market value for donor-restricted endowments and that these deficiencies will be relatively short-term in nature.

Changes in endowment net assets for the fiscal years ended June 30 were as follows (*in thousands*):

2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets as of June 30, 2015	$ 1,622,322	$ 1,347,214	$ 1,123,852	$ 4,093,388
Endowment investment return:				
Investment loss, net of fees	(2,101)	(2,870)	-	(4,971)
Net appreciation (realized and unrealized)	(64,408)	(103,041)	-	(167,449)
Total endowment investment return	(66,509)	(105,911)	-	(172,420)
Gifts and additions to endowment, net	89,829	3,930	60,586	154,345
Endowment distributions	(78,090)	(106,673)	-	(184,763)
Liquidation of endowments[1]	(75,473)	(148)	(6,032)	(81,653)
Transfers for internal management costs	(5,383)	(7,353)	-	(12,736)
Other	(243)	(332)	-	(575)
Endowment net assets as of June 30, 2016	**$ 1,486,453**	**$ 1,130,727**	**$ 1,178,406**	**$ 3,795,586**

[1] Includes $78.8 million of institutional endowments liquidated from endowment cash and transferred to VUMC as a part of the Transaction.

2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets as of June 30, 2014	$ 1,605,501	$ 1,360,306	$ 1,080,443	$ 4,046,250
Endowment investment return:				
Investment loss, net of fees	(2,097)	(3,651)	-	(5,748)
Net appreciation (realized and unrealized)	56,383	98,152	-	154,535
Total endowment investment return	54,286	94,501	-	148,787
Gifts and additions to endowment, net	27,291	5,134	43,409	75,834
Endowment distributions	(60,139)	(104,692)	-	(164,831)
Transfers for internal management costs	(3,604)	(6,273)	-	(9,877)
Other	(1,013)	(1,762)	-	(2,775)
Endowment net assets as of June 30, 2015	**$ 1,622,322**	**$ 1,347,214**	**$ 1,123,852**	**$ 4,093,388**

9. Property, Plant, and Equipment

Vanderbilt reports property, plant, and equipment at cost or, if a gift, at fair value as of the date of the gift, net of accumulated depreciation. Vanderbilt computes depreciation using the straight-line method over the estimated useful lives of the assets.

Property, plant, and equipment as of June 30 were as follows *(in thousands)*:

	2016	2015
Land	$ 80,443	$ 72,226
Buildings and improvements	1,406,725	1,364,838
Moveable equipment	287,352	274,859
Construction in progress	121,831	65,360
Property, plant, and equipment	1,896,351	1,777,283
Less: Accumulated depreciation	952,367	895,796
Property, plant, and equipment, net	**$ 943,984**	**$ 881,487**

Purchases for the library collection are not included in the amounts above since Vanderbilt expenses them at the time of purchase. As of June 30, 2016, the estimated replacement cost for library collections, including processing costs to properly identify, catalog, and shelve materials, totaled $398 million.

Vanderbilt did not capitalize interest in either fiscal 2016 or fiscal 2015 due to immateriality. Vanderbilt capitalized internal-use software development costs of $0.6 million in fiscal 2015.

Vanderbilt reviews property, plant, and equipment for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The university recognizes an impairment loss only if the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Vanderbilt booked impairment losses of $5.0 million in fiscal 2015, related to property, plant, and equipment.

Vanderbilt identified conditional asset retirement obligations, primarily for the costs of asbestos removal and disposal, resulting in liabilities of $3.2 million and $4.2 million as of June 30, 2016 and 2015, respectively. These liability estimates, included in accounts payable and accrued liabilities in the consolidated statements of financial position, use an inflation rate of 4.0% and a discount rate of 5.0% based on relevant factors at origination.

10. Long-Term Debt and Commercial Paper

Long-term debt consists of bonds and notes payable with scheduled final maturity dates at least one year after the original issuance date. Outstanding long-term debt and commercial paper (CP) obligations reflected in the financial statements at carrying value as of June 30 were as follows *(in thousands)*:

	Fiscal Year of Maturity[2]	Fixed Coupon Interest Rates as of June 30, 2016[2]	Fiscal 2016 Effective Interest Rate[2,3]	Outstanding Principal 2016	Outstanding Principal 2015
FIXED-RATE DEBT					
Series 2008A	n/a	n/a	n/a	$ -	$ 94,600
Series 2008B[1]	n/a	n/a	n/a	-	59,550
Series 2009A	2040	4.00%-5.50%	4.9%	73,990	97,100
Series 2009B[1]	n/a	n/a	n/a	-	232,900
Series 2009A Taxable	n/a	n/a	n/a	-	250,000
Series 2012C	n/a	n/a	n/a	-	17,955
Series 2012D	2038	3.00%-5.00%	3.1%	106,230	106,230
Series 2012E	n/a	n/a	n/a	-	33,550
Fixed-rate debt			3.9%	**180,220**	**891,885**
VARIABLE-RATE DEBT					
Series 2012B	2039		0.7%	34,230	67,000
Variable-rate debt			0.7%	**34,230**	**67,000**
Par amount of long-term debt			3.4%	214,450	958,885
Net unamortized premium			-	8,305	12,530
Draw on Hybrid Line with General Use Provisions			1.0%	1,000	-
Total long-term debt			**3.4%**	**223,755**	**971,415**
Tax-exempt commercial paper	<1		n/a	-	90,000
Taxable commercial paper	<1		0.6%	84,530	173,454
Total commercial paper			**0.6%**	**84,530**	**263,454**
Total long-term debt and commercial paper			**2.6%**	**$ 308,285**	**$ 1,234,869**

[1] Issued under Master Trust Indenture structure.
[2] Multiple fixed-rate bond Series were defeased as part of the Transaction. Fiscal year 2016 information is shown as "n/a" for these Series.
[3] Exclusive of interest rate exchange agreements. Inclusive of these agreements, the overall portfolio effective interest rate was 5.0%.

The preceding table reflects fixed/variable allocations before the effects of interest rate exchange agreements. A successive note discusses these agreements in more detail.

The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (HEFB) issued Vanderbilt's tax-exempt CP and all of the aforementioned bonds, with the exception of the Series 2009A Taxable notes. As a conduit issuer, the HEFB loans the debt proceeds to Vanderbilt. Pursuant to loan agreements, Vanderbilt's debt service requirements under Series 2008B and 2009B loan agreements, which were defeased during fiscal 2016, coincide with required debt service of the actual HEFB bonds. These Series were issued under a Master Trust Indenture (MTI) structure. The MTI provided the flexibility for multiple parties to participate in debt issuances as part of an obligated group.

All debt instruments are general obligations of Vanderbilt. Vanderbilt did not pledge any of its assets as collateral for this debt.

Trust indentures for certain bond issues contain covenants and restrictions involving the issuance of additional debt, maintenance of a specified debt service coverage ratio, and the maintenance of credit facilities for liquidity purposes. Vanderbilt was in compliance with such covenants and restrictions as of June 30, 2015. Due to the defeasance of the MTI bonds during fiscal 2016, this covenant is not applicable to debt outstanding at June 30, 2016.

The components of interest for total long-term debt, CP, and interest rate exchange agreements follows *(in thousands)*:

	2016	2015
Payments for interest costs	$ 57,725	$ 65,377
Accrued interest expense	$ 14,839	$ 16,769

Payments for interest costs occur on varying scheduled payment dates for debt, maturity dates for CP, and settlement dates for interest rate exchange agreements. Vanderbilt calculates accrued interest expense for its debt, CP, and interest rate exchange agreements based on applicable interest rates for the respective fiscal year.

Principal retirements and scheduled sinking fund requirements based on nominal maturity schedules for long-term debt due in subsequent fiscal years ending June 30 are as follows *(in thousands)*:

2017	$ 2,360
2018	2,360
2019	2,360
2020	2,360
2021	5,200
Thereafter	199,810
Total long-term debt principal retirements	**$ 214,450**

Requirements in earlier years in the preceding table could be greater if Vanderbilt must purchase either a portion or all of its floating-rate notes or CP in the event of failed remarketings, on mandatory tender dates, or scheduled maturities as described in the following paragraphs.

During fiscal 2015, Vanderbilt redeemed the $67.0 million 2012A floating rate notes. This redemption was funded by the issuance of two $30.0 million tranches of taxable CP and $7.0 million of operating cash. Vanderbilt had $34.2 million of variable-rate bonds outstanding as of June 30, 2016, consisting entirely of floating-rate notes with a mandatory tender date of October 1, 2017.

As of June 30, 2016, Vanderbilt had $84.5 million of taxable CP outstanding. The weighted average duration of Vanderbilt's CP portfolio totaled 125 days as of June 30, 2016, and 92 days as of June 30, 2015.

Vanderbilt's most recent tax-exempt CP program began on March 29, 2010, with all draws completed by September 30, 2011. All tax-exempt CP was retired as part of the Transaction. Following the Transaction, Vanderbilt reduced its commercial paper limitation to $200.0 million from $675.0 million. Vanderbilt can issue an additional $115.0 million under its current taxable CP program.

Debt liquidity support with short-term remarketing periods (CP totaling $84.5 million) is provided by Vanderbilt's self-liquidity. As of June 30, 2016, Vanderbilt estimates that $1,014.3 million of liquid assets were available on a same-day basis and an additional $873.0 million was available within 30 days.

A second tier of debt liquidity support consists of two revolving credit facilities with maximum available commitments totaling $300 million as of June 30, 2016, dedicated to Vanderbilt's debt portfolio liquidity support. One of these lines totaling $100 million includes a general use provision and expires in March 2017. In order to optimize pricing, Vanderbilt drew one percent ($1.0 million) at inception and will maintain this amount outstanding during the commitment.

The other commitment totaling $200 million expires in April 2017. The maximum repayment period, which may extend beyond the expiration date, ranges from 90 days to 367 days. Vanderbilt has never borrowed against revolving credit agreements to support redemptions of debt.

Vanderbilt has entered into an agreement with one bank to provide a general use line of credit with a maximum available commitment totaling $100.0 million as of June 30, 2016. This line of credit expires in October 2016. Vanderbilt had no outstanding draws against this credit facility as of June 30, 2016, or June 30, 2015.

As part of the Transaction, Vanderbilt transferred medical center assets and therefore took anticipatory remedial action with respect to its tax-exempt debt that was allocable to the financing of the medical center assets. The following tax-exempt bond series and tax-exempt commercial paper were placed into escrow and legally defeased as part of this Transaction *(in thousands)*:

Tax-exempt Series	**Par Defeased**
Series 2008A	$ 77,500
Series 2008B	38,585
Series 2009A	20,110
Series 2009B	225,900
Series 2012B	32,770
Series 2012C	17,955
Series 2012E	27,370
Tax-exempt CP	90,000
Total tax-exempt debt principal retirements	**$ 530,190**

Additionally, as part of the Transaction, Vanderbilt redeemed the $250.0 million par of Series 2009A and retired $69.0 million par of taxable CP.

None of Vanderbilt's fixed-rate debt has a mandatory tender date preceding the respective final maturity date. The Series 2009A bonds include amortizing principal amounts each year beginning fiscal 2016 and a call feature at par beginning October 2019. The Series 2012D bonds include amortizing principal amounts each year beginning in fiscal 2021 and a call feature at par beginning October 2023.

11. Interest Rate Exchange Agreements

Vanderbilt utilizes interest rate exchange agreements as part of its debt portfolio management strategy. These agreements result in periodic net cash settlements paid to, or received from, counterparties. Adjustments to interest expense for net settlements due to counterparties totaled $7.1 million and $9.0 million in fiscal 2016 and 2015, respectively.

Vanderbilt estimates the fair value of interest rate exchange agreements by calculating the present value sum of future net cash settlements that reflect market yields as of the measurement date and estimated amounts that Vanderbilt would pay, or receive, to terminate the contracts as of the report date. Vanderbilt considers current interest rates and creditworthiness of the interest rate exchange counterparties when estimating termination settlements. The estimated fair value of Vanderbilt's outstanding interest rate exchange agreements represented liabilities of $115.2 million and $119.4 million as of June 30, 2016 and 2015, respectively.

Vanderbilt did not enter into any new interest rate exchange agreements during fiscal 2016 or 2015. During fiscal 2016, Vanderbilt terminated $115.0 million notional of fixed-rate payer interest rate exchange agreements at a cost of $44.0 million to reduce collateral exposure and eliminate ongoing settlement costs. Vanderbilt also novated $150.0 million notional of fixed-rate payer interest rate exchange agreements as part of the Transaction. Following the terminations and scheduled amortizations, Vanderbilt had $215.9 million of aggregate fixed-payer interest rate exchange agreements outstanding for which the university receives 68.4% of one-month LIBOR and pays a weighted average fixed rate of 3.89%. Vanderbilt also had $500.0 million of basis interest rate exchange agreements outstanding in fiscal 2016 and 2015 for which the university receives 81.5% of one-month LIBOR and pays SIFMA. Vanderbilt did not terminate any basis interest rate exchange agreements in either fiscal year.

Changes in the fair value of interest rate exchange agreements, reported in the nonoperating section of the consolidated statements of activities, resulted in net losses of $41.4 million and $27.7 million in fiscal 2016 and 2015, respectively. The $41.4 million change in appreciation of interest rate exchange agreements in fiscal 2016 includes $44.0 million of termination costs, a $3.3 million net unrealized gain from the combination of the positive effect of the termination of fixed-rate payer interest rate exchange agreements and the decrease in the long-term LIBOR rate, and a $0.7 million unrealized loss to adjust the discount rate to reflect counterparty credit risk. The

$27.7 million change in appreciation of interest rate exchange agreements in fiscal 2015 includes $21.5 million of termination costs, an $8.6 million unrealized loss to adjust the discount rate to reflect counterparty credit risk partially, offset by a $2.4 million net unrealized gain from the combination of the positive effect of the termination of fixed-rate payer interest rate exchange agreements and the decrease in the long-term LIBOR rate. LIBOR decreased to 1.8% as of June 30, 2016, from 2.9% as of June 30, 2015.

The interest rate exchange agreements include collateral pledging requirements based on the fair value of the contracts. Collateral held by counterparties as of June 30, 2016 and 2015, totaled $36.8 million and $84.4 million, respectively. Vanderbilt estimates that a decline in long-term LIBOR rates to approximately 1% would result in the fair value of the portfolio being a liability of approximately $190 million and correspondingly increase Vanderbilt's collateral pledging requirements to approximately $90 million. As of June 30, 2016, 30-year LIBOR was 1.8%.

As of June 30, 2016, Vanderbilt's adjusted debt portfolio, after taking into account outstanding fixed-payer interest rate exchange agreements, was fully hedged.

The notional amounts of Vanderbilt's outstanding interest rate exchange agreements as of June 30 were as follows *(in thousands)*:

Description	Rate Paid	Rate Received	Maturity	2016	2015
Fixed-payer interest rate exchange agreements	Avg fixed rate of 3.89%	Avg of 68.4% of one-month LIBOR[1]	15 to 24 years	$ 215,900	$ 482,900
Basis interest rate exchange agreements	SIFMA[2]	Avg of 81.5% of one-month LIBOR[1]	19 to 20 years	$ 500,000	$ 500,000

[1] LIBOR (London Interbank Offered Rate) is a reference rate based on interest rates at which global banks borrow funds from other banks in the London interbank lending market.
[2] SIFMA (Securities Industry and Financial Markets Association) is a seven-day high-grade market index rate based upon tax-exempt variable rate debt obligations.

12. Net Assets

Vanderbilt's unrestricted, temporarily restricted, and permanently restricted net assets as of June 30 were composed of the following *(in thousands)*:

2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating funds	$ 565,896	$ -	$ -	$ 565,896
Gifts and grants	82,714	77,839	70,465	231,018
Student loans	19,871	-	-	19,871
Plant facilities	775,225	-	-	775,225
Donor restricted endowments	164,187	1,130,727	1,178,406	2,473,320
Institutional endowments	1,322,266	-	-	1,322,266
Interests in trusts held by others	-	10,078	16,523	26,601
Life income and gift annuities	-	5,490	18,173	23,663
Fair value of interest rate exchange agreements, net	(115,169)	-	-	(115,169)
Net assets related to noncontrolling interests	83,056	-	-	83,056
Total net assets as of June 30, 2016	**$ 2,898,046**	**$ 1,224,134**	**$ 1,283,567**	**$ 5,405,747**

2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating funds	$ 929,122	$ -	$ -	$ 929,122
Gifts and grants	69,450	92,130	43,484	205,064
Student loans	18,681	-	-	18,681
Plant facilities	702,840	-	-	702,840
Donor restricted endowments	201,560	1,347,214	1,123,852	2,672,626
Institutional endowments	1,420,762	-	-	1,420,762
Interests in trusts held by others	-	6,916	33,238	40,154
Life income and gift annuities	-	14,902	34,617	49,519
Fair value of interest rate exchange agreements, net	(174,713)	-	-	(174,713)
Net assets related to noncontrolling interests	110,954	-	-	110,954
Total net assets as of June 30, 2015	**$ 3,278,656**	**$ 1,461,162**	**$ 1,235,191**	**$ 5,975,009**

Temporarily restricted net assets were designated by donors and Vanderbilt for the following purposes as of June 30 *(in thousands)*:

	2016	2015
Student scholarships	$ 390,467	$ 466,907
Endowed chairs	310,079	377,934
Operations	238,031	298,565
Program support	90,009	109,039
Capital improvements	12,425	28,709
Subsequent period operations and other	183,123	180,008
Total temporarily restricted net assets	**$ 1,224,134**	**$ 1,461,162**

Based on relative fair values as of June 30, donor-restricted endowments supported the following:

	2016	2015
Financial aid	36%	35%
Endowed chairs	28%	29%
Operations	21%	21%
Program support	8%	8%
Research, lectureships, fellowships, and other	7%	7%
Total support	**100%**	**100%**

13. Fair Value Measurement

Vanderbilt utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 consist of quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.

Level 2 include inputs other than quoted prices in Level 1 directly or indirectly observable for the assets or liabilities.

Level 3 are unobservable inputs for the assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety is classified depends on the lowest level input that is significant to the fair value measurement.

The significance of the unobservable inputs to the overall fair value measurement determines the classification of a financial instrument within level 3.

The consolidated statements of activities reflect: all net realized and unrealized gains and losses on level 3 investments as changes in endowment appreciation or changes in appreciation of other investments; gains and losses on investments allocable to noncontrolling interests as a component of net endowment appreciation; and net realized and unrealized gains and losses on interests in trusts held by others as changes in appreciation of other investments.

Rollforwards of amounts for level 3 financial instruments for the fiscal years ended June 30 follow *(in thousands)*:

	Beginning balance as of June 30, 2015	Net realized gains (losses)	Net change in unrealized gains (losses)*	Purchases	Sales	Transfers into/(out of) level 3	Ending balance as of June 30, 2016
LEVEL 3 ASSETS							
Fixed income	$ 17,179	$ (21)	$ 561	$ 409	$ (3,094)	$ -	$ 15,034
Global equities	20,495	852	(2,413)	2,703	(4,018)	-	17,619
Private capital	2,604	231	(324)	-	(143)	-	2,368
Real estate	179	-	-	-	-	-	179
Natural resources	33,650	-	(861)	-	(1,347)	-	31,442
Trusts	4,258	101	(341)	-	(109)	-	3,909
Other investments	7,178	-	5	520	(80)	-	7,623
Interests in trusts held by others	33,545	328	(7,397)	125	-	-	26,601
Total Level 3	**$ 119,088**	**$ 1,491**	**$ (10,770)**	**$ 3,757**	**$ (8,791)**	**$ -**	**$ 104,775**

**Total change in unrealized gains/(losses) relating to Level 3 investment assets held by the university at June 30, 2016, is $(3,049) and is reflected in "Net change in unrealized appreciation on investments" in the Consolidated Statements of Cash Flows.*

	Beginning balance as of June 30, 2014	Net realized gains (losses)	Net change in unrealized gains (losses)*	Purchases	Sales	Transfers into/(out of) level 3	Ending balance as of June 30, 2015
LEVEL 3 ASSETS							
Fixed income	$ 19,987	$ 30	$ 657	$ 1,612	$ (5,107)	$ -	$ 17,179
Global equities	26,184	2,354	(3,079)	2,812	(7,776)	-	20,495
Private capital	3,235	-	460	-	(1,091)	-	2,604
Real estate	181	4	-	2	(8)	-	179
Natural resources	38,339	184	(5,211)	2,724	(2,386)	-	33,650
Trusts	4,652	310	(548)	-	(156)	-	4,258
Other investments	9,934	-	-	208	(2,964)	-	7,178
Interests in trusts held by others	32,869		676	-	-	-	33,545
Total Level 3	**$ 135,381**	**$ 2,882**	**$ (7,045)**	**$ 7,358**	**$ (19,488)**	**$ -**	**$ 119,088**

**Total change in unrealized gains/(losses) relating to Level 3 investment assets held by the university at June 30, 2015, is $7,396 and is reflected in "Net change in unrealized appreciation on investments" in the Consolidated Statements of Cash Flows.*

The tables on the following pages present the amounts within each valuation hierarchy level for those assets and liabilities carried at fair value: cash and cash equivalents; investments; investments allocable to noncontrolling interests (in Vanderbilt-controlled real estate and other partnerships); interests in trusts held by others; and the fair value of interest rate exchange agreements.

Noted in the tables on the following page, as a measure of liquidity, are the redemption terms and restrictions of investments, along with the numbers of days' notice required to liquidate these investments. Most investments classified as levels 2 and 3 consist of shares or units in investment funds as opposed to direct interests in the funds' underlying holdings. Vanderbilt's ability to redeem its interest at or near the financial statement date determines the net assets classification as level 2 or level 3. Vanderbilt defines near-term as within 90 days of the financial statement date.

Derivative contract collateral and short-term securities are primarily composed of amounts posted as collateral in accordance with interest rate exchange agreements and unspent bond proceeds with trustees. Vanderbilt deems a redemption or liquidation frequency for these amounts as not applicable. Global equities and fixed income provide varying levels of liquidity as defined in the following tables. Hedged strategies include daily, quarterly, and annual redemption frequencies. These strategies allow Vanderbilt to provide notice to the fund managers to exit from the respective funds in the time periods noted. Lockup provisions range from none to five years.

The total asset values for private capital, real estate, natural resources, and other investments are illiquid as of June 30, 2016. These amounts predominantly consist of limited partnerships. Under the terms of these limited partnership agreements, Vanderbilt is obligated to remit additional funding periodically as capital calls are exercised by the general partner. These partnerships have a limited existence and the agreements may provide for annual extensions relative to the timing for disposing portfolio positions and returning capital to investors. Depending on market conditions, the ability or inability of a fund to execute its strategy, and other factors, the general partner may extend the terms or request an extension of terms of a fund beyond its originally anticipated existence or may liquidate the fund prematurely. Unforeseen events prevent Vanderbilt from anticipating such changes. As a result, the timing and amount of future capital calls or distributions in any particular year are uncertain and the related asset values are illiquid.

The following tables summarize the fair value measurements and terms for redemptions or liquidations for those assets and liabilities carried at fair value as of June 30 *(in thousands)*:

Assets Reported at Fair Value as of June 30, 2016

	Fair Value Measurements						
	Level 1	Level 2	Level 3	NAV	Total	Redemption Terms	Redemption Restriction
Cash and cash equivalents	$ 963,001	$ -	$ -	$ -	$ 963,001	Daily, with same-day to 90 day notice	No restrictions
Derivative contract collateral and short-term securities	36,908	-	-	-	36,908	N/A	Not redeemable
Global equities	688,190		17,619	269,750	975,559	Daily to annually, with 1 to 90 day notice	Lock-up provision ranging from none to 4 years
Fixed income	227,008	-	15,034	-	242,042	Daily, with 2 to 30 day notice	No restrictions
Private capital	1,285	-	2,368	1,213,694	1,217,347	N/A	Not redeemable
Hedged strategies	402,967	55,740	-	312,703	771,410	Daily to annually, with 1 to 180 day notice	Lock-up provision ranging from none to 2 years*
Commodities	120,967	-	-	-	120,967	Daily to monthly, with 1 to 30 day notice	No restrictions
Natural resources	201	-	31,442	175,225	206,868	N/A	Not redeemable
Real estate	-	-	179	211,675	211,854	N/A	Not redeemable
Trusts	-	-	3,909	-	3,909	N/A	Not redeemable
Other investments	344	-	7,623	-	7,967	N/A	Not redeemable
Interests in trusts held by others	-	-	26,601	-	26,601	N/A	Not redeemable
Total assets reported at fair value	**$ 2,440,871**	**$ 55,740**	**$ 104,775**	**$ 2,183,047**	**$ 4,784,433**		

Liabilities Reported at Fair Value as of June 30, 2016

Interest rate exchange agreements	**$ -**	**$ 115,169**	**$ -**	**$ -**	**$ 115,169**		

Assets Reported at Fair Value as of June 30, 2015

	Fair Value Measurements						
	Level 1	Level 2	Level 3	NAV	Total	Redemption Terms	Redemption Restriction
Cash and cash equivalents	$ 866,981	$ -	$ -	$ -	$ 866,981	Daily, with same-day to 90 day notice	No restrictions
Derivative contract collateral and short-term securities	82,139	-	-	-	82,139	N/A	Not redeemable
Global equities	648,701	772	20,495	340,095	1,010,063	Daily to annually, with 1 to 90 day notice	Lock-up provision ranging from none to 4 years
Fixed income	222,823	-	17,179	-	240,002	Daily, with 2 to 30 day notice	No restrictions
Private capital	13,595	-	2,604	1,390,131	1,406,330	N/A	Not redeemable
Hedged strategies	507,413	-	-	397,369	904,782	Daily to annually, with 1 to 180 day notice	Lock-up provision ranging from none to 2 years*
Commodities	98,312	-	-	-	98,312	Daily to monthly, with 1 to 30 day notice	No restrictions
Natural resources	140	-	33,650	260,508	294,298	N/A	Not redeemable
Real estate	-	-	179	228,796	228,975	N/A	Not redeemable
Trusts	-	-	4,258	-	4,258	N/A	Not redeemable
Other investments	2,727	-	7,178	-	9,905	N/A	Not redeemable
Interests in trusts held by others	-	-	33,545	-	33,545	N/A	Not redeemable
Total assets reported at fair value	**$ 2,442,831**	**$ 772**	**$ 119,088**	**$ 2,616,899**	**$ 5,179,590**		

Liabilities Reported at Fair Value as of June 30, 2015

Interest rate exchange agreements	**$ -**	**$ 119,373**	**$ -**	**$ -**	**$ 119,373**		

14. Retirement Plans

Vanderbilt's full-time faculty and staff members participate in defined contribution retirement plans administered by third-party investment and insurance firms. For eligible employees with one year of continuous service, these plans require employee and matching employer contributions. The employee immediately vests in these contributions.

Vanderbilt funds the obligations under these plans through monthly transfers to the respective retirement plan administrators with the corresponding expenses recognized in the year incurred. Vanderbilt's retirement plan contributions for fiscal 2016 and 2015 were $16.2 million and $14.7 million, respectively.

15. Student Financial Aid

Vanderbilt provides financial aid to students based upon need and merit. Institutional resources, contributions, endowment distributions, and externally sponsored programs fund this financial assistance.

For the fiscal years ended June 30, financial aid for tuition and education fees was as follows *(in thousands)*:

	2016	2015
Tuition and educational fees, gross	$ 495,330	$ 489,018
Less: Financial aid for tuition and educational fees	(215,563)	(216,815)
Tuition and educational fees, net	**$ 279,767**	**$ 272,203**

For the fiscal years ended June 30, financial aid for room and board was as follows *(in thousands)*:

	2016	2015
Room and board, gross	$ 80,034	$ 77,476
Less: Financial aid for room and board	(33,464)	(32,663)
Room and board, net	**$ 46,570**	**$ 44,813**

16. Functional Classification of Expenses and Allocations

For the fiscal years ended June 30, operating expenses incurred were as follows *(in thousands)*:

	2016	2015
Instruction	$ 347,601	$ 334,062
Research	175,341	178,166
Public service	33,856	33,406
Academic support	112,875	111,354
Student services	123,159	122,489
Institutional support	188,495	189,301
Room, board, and other auxiliary services	148,226	144,760
Total operating expenses	**$ 1,129,553**	**$ 1,113,538**

Natural expense classifications include certain allocations of institutional and other support costs to Vanderbilt's primary programs. Based on the functional uses of space on its campus, Vanderbilt allocated depreciation and interest on indebtedness to the functional operating expense categories as follows *(in thousands)*:

2016

	Depreciation	Interest
Instruction	$ 14,215	$ 2,772
Research	12,525	1,194
Academic support	7,053	970
Student services	2,365	338
Institutional support	13,256	1,208
Room, board, and other auxiliary services	27,495	8,357
Total	**$ 76,909**	**$ 14,839**

2015

	Depreciation	Interest
Instruction	$ 14,092	$ 3,189
Research	12,054	1,396
Academic support	6,906	1,090
Student services	2,373	381
Institutional support	13,023	1,359
Room, board, and other auxiliary services	26,030	9,354
Total	**$ 74,478**	**$ 16,769**

17. Related Parties

Intermittently, members of Vanderbilt's Board of Trust or Vanderbilt employees may be directly or indirectly associated with companies engaged in business activities with the university. Accordingly, Vanderbilt has a written conflict of interest policy that requires, among other things, that members of the university community (including trustees) may not review, approve, or administratively control contracts or business relationships when (a) the contract or business relationship is between Vanderbilt and a business in which the individual or a family member has a material financial interest or (b) the individual or a family member is an employee of the business and is directly involved with activities pertaining to Vanderbilt.

Furthermore, Vanderbilt's conflict of interest policy extends beyond the foregoing business activities in that disclosure is required for any situation in which an applicable individual's financial, professional, or other personal activities may directly or indirectly affect, or have the appearance of affecting, an individual's professional judgment in exercising any university duty or responsibility, including the conduct or reporting of research.

The policy extends to all members of the university community (including trustees, university officials, and faculty and staff and their immediate family members). Each applicable person is required to certify compliance with the conflict of interest policy on an annual basis. This certification includes specifically disclosing whether Vanderbilt conducts business with an entity in which he or she (or an immediate family member) has a material financial interest as well as any other situation that could appear to present a conflict with Vanderbilt's best interests. When situations exist relative to the conflict of interest policy, Vanderbilt takes active measures to manage appropriately the actual or perceived conflict in the best interests of the university, including periodic reporting of the measures taken to the Board of Trust Audit Committee.

Following the Transaction, Vanderbilt will have an ongoing economic relationship with VUMC, a separate legal entity, in the form of an Academic Affiliation Agreement (AAA), a Trademark Licensing Agreement (TML), a Ground Lease, and a Master Service Agreement (MSA). Refer to Note 20 to the consolidated financial statements for further detail.

18. Leases

Vanderbilt is obligated under numerous operating leases to pay base rent through the lease expiration dates. Operating leases primarily consist of equipment and real property with lease terms of up to 11 years. Total operating lease expense in fiscal 2016 and 2015 was $18.4 million and $17.9 million, respectively.

As of June 30, 2016, future committed minimum rentals by fiscal year on significant noncancelable operating leases with initial terms in excess of one year were as follows *(in thousands)*:

2017	$ 16,931
2018	16,777
2019	16,779
2020	16,872
2021	12,829
Thereafter	53,961
Total future minimum rentals	**$ 134,149**

Detail of significant noncancelable operating leases by type:

	% of Minimum Rentals	Minimum Rentals
Property leases (14 leases)	99%	$ 132,559
Equipment leases (36 leases)	1%	1,590
Total future minimum rentals	**100%**	**$ 134,149**

Property leases for buildings owned by VUMC (50%) and 2100 West End Avenue (22%) account for approximately 72% of the total future minimum rentals.

Vanderbilt is entitled under numerous operating leases to receive rental payments, primarily from VUMC. Operating leases primarily consist of leases for the use of real property and have terms expiring at various dates through 2114. Rental income under operating leases in fiscal 2016 and 2015 was $15.4 million and $9.3 million, respectively.

As of June 30, 2016, minimum future rentals by fiscal year on significant noncancelable operating leases with initial terms in excess of one year were as follows *(in thousands)*:

2017	$ 32,601
2018	30,932
2019	29,622
2020	29,247
2021	28,481
Thereafter	2,117,464
Total future minimum rentals	**$ 2,268,347**

19. Commitments and Contingencies

(A) *Construction.* As of June 30, 2016, Vanderbilt had contractual commitments for approximately $150.8 million of projects under construction and equipment purchases. The largest components of these commitments were for the Vanderbilt Barnard residential college replacement ($100.6 million) and the Engineering and Science Building ($30.3 million).

(B) *Litigation.* Vanderbilt is a defendant in several legal actions. On August 12, 2016, Vanderbilt University was served with a lawsuit in Federal District Court styled *Cassell, et al. vs. Vanderbilt University*, et al., No. 16-CV-02086 (M.D. Tenn.), seeking class action status on behalf of the employee-participants in the Vanderbilt University Retirement Plan for an alleged breach of fiduciary duties in the administration of its sponsored retirement program under 26 U.S.C. Sec. 403(b). The Complaint in the lawsuit does not claim any specific amount of alleged damages but, rather, contends that such alleged damages must be determined through discovery in the matter.

In addition, on May 17, 2016 a former Vanderbilt football player filed suit against the NCAA, the SEC, and Vanderbilt in the Middle District of Florida in Orlando seeking class action status for students who played football at Vanderbilt between 1952 and 2010. The suit is styled *Walthour v. Vanderbilt University, et al.*, No. 16-cv-834 (M.D. Fl.). Walthour alleged he suffered "several" concussions and now has cognitive functioning problems, such as loss of memory, mood swings, sensitivity to light, and blackouts. The suit has been transferred to the Northern District of Illinois for pre-trial purposes as a tag-along action to the multi-district litigation styled *In re: National Collegiate Athletic Association Student-Athlete Concussion Injury Litigation*, MDL No. 2492. Vanderbilt believes that the outcome of these actions will not have a significant effect on its consolidated financial position.

(C) *Regulations.* Vanderbilt's compliance with regulations and laws is subject to future government reviews and interpretations, as well

as regulatory actions unknown at this time. Vanderbilt believes that the liability, if any, from such reviews will not have a significant effect on Vanderbilt's consolidated financial position.

(D) *Employee Health and Workers Compensation Insurance.* Vanderbilt is self-insured for employee health insurance and workers compensation coverage. Vanderbilt bases estimated liabilities upon studies conducted by independent actuarial firms.

(E) *Federal and State Contracts and Other Requirements.* Expenditures related to federal and state grants and contracts are subject to adjustment based upon review by the granting agencies. Amounts of expenditures that granting agencies might disallow cannot be determined at this time. These amounts affect government grants and contract revenue as well as facilities and administrative cost recovery. Vanderbilt would not expect these costs to influence the consolidated financial position significantly.

(F) *HIPAA Compliance*. Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the federal government has authority to complete fraud and abuse investigations. HIPAA has established substantial fines and penalties for offenders. Vanderbilt maintains policies, procedures, and organizational structures to enforce and monitor compliance with HIPAA, as well as other applicable local, state, and federal statutes and regulations.

(G) *Partnership Investment Commitments.* There were $552.7 million of commitments to venture capital, real estate, and private equity investments as of June 30, 2016. At the request of the general partners, Vanderbilt may be required to contribute funds over the next several years. Vanderbilt expects to finance these commitments with available cash and expected proceeds from the sales of securities. In addition, Vanderbilt is a secondary guarantor for $13.0 million of commitments for certain investment vehicles where minority limited partners in subsidiaries that Vanderbilt controls have the primary obligations.

20. Discontinued Operations

On April 29, 2016, Vanderbilt transferred clinical services operations, post-graduate training programs, and clinical department research activities, along with the related assets and liabilities, to VUMC, a newly incorporated Tennessee not-for-profit corporation, in exchange for consideration of $1,230.0 million. The university retained the medical educational and academic activities and remains the degree-granting institution for the university's School of Medicine, School of Nursing and clinical master's programs. The university retains control of faculty affairs, graduate school PhD programs in the biomedical sciences, and research in basic science departments and related centers. As a separate legal entity, VUMC is not and will not be under common governance with or controlled by the university nor will the university be financially responsible for VUMC indebtedness.

The following table sets forth the components of discontinued operations *(in thousands)*:

	2016	2015
Health care services revenue	$ 2,543,322	$ 2,816,116
Other revenue	375,449	412,202
Total revenues	**$ 2,918,771**	**$ 3,228,318**
Salaries, wages, and benefits	1,550,915	1,703,089
Supplies, services, and other	1,136,550	1,284,385
Depreciation and amortization	37,711	102,698
Interest	28,904	43,265
Non-operating (income) / expense	17,435	(36,817)
Total expenses	**$ 2,771,515**	**$ 3,096,620**
Income from discontinued operations	**$ 147,256**	**$ 131,698**
Loss on disposal of discontinued operations	(317,856)	-
Change in net assets from discontinued operations, net	**$ (170,600)**	**$ 131,698**

VUMC operations, reported in discontinued operations, generated income of $147.3 million and $131.7 million for the years ended June 30, 2016 and 2015, respectively. The change in net assets from discontinued operations for the year ended June 30, 2016, also includes a loss totaling $317.9 million related to the sale of VUMC assets and liabilities. Through the Transaction, the university received consideration of $1,230.0 million, which consisted of cash of $1,130.0 million and a $100.0 million note receivable to be paid over 20 years (May 2016 through April 2036) in exchange for assets and liabilities whose net book value as of the Transaction date totaled $2,090.8 million and $542.9 million, respectively. The assets and liabilities transferred as reported were subject to final adjustments within the 90 days following the Transaction date.

Vanderbilt defeased $530.2 million of tax-exempt debt associated with financing of VUMC assets transferred through the Transaction. Additionally, in conjunction with the Transaction, Vanderbilt redeemed $250.0 million par of Series 2009A debt and retired $69.0 million par of taxable commercial paper. Vanderbilt allocated interest expense associated with the aforementioned debt of $23.1 million and $33.4 million to discontinued operations for the years ended June 30, 2016 and 2015, respectively. Costs incurred related to the defeasance of the aforementioned debt of $76.6 million are included in other changes in net assets from continuing operations for the period ended June 30, 2016.

Through the Transaction, Vanderbilt novated to VUMC $150.0 million notional of fixed-rate payer interest rate exchange agreements. During the year ended June 30, 2016, Vanderbilt also terminated $115.0 million notional of fixed-rate payer interest rate exchange agreements at a cost of $44.0 million. Vanderbilt reported these termination costs within continuing operations as a component of the change in appreciation of interest rate exchange agreements for the year ended June 30, 2016. VUMC funded the termination costs associated with these agreements through proceeds received in conjunction with the Transaction. Vanderbilt reported interest expense associated with the novated and terminated interest rate exchange agreements terminated in conjunction with the Transaction of $5.6 million and $9.8 million within discontinued operations in the years ended June 30, 2016 and 2015.

Vanderbilt reported transaction-related expenses of $10.1 million and $20.1 million within discontinued operations for the years ended June 30, 2016 and 2015, respectively.

The following table provides the components of assets and liabilities held for sale as of June 30, 2015 *(in thousands)*:

	6/30/2015
Cash and cash equivalents	$ 424,650
Accounts receivable, net	367,196
Prepaid expenses and other assets	67,995
Contributions receivable, net	13,459
Investments	110,196
Property, plant and equipment, net	866,923
Interests in trusts held by others	6,609
Assets held for sale	**$ 1,857,028**

	6/30/2015
Accounts payable and accrued liabilities	$ 148,218
Accrued compensation and withholdings	67,370
Deferred revenue	48,878
Actuarial liabilities	108,645
Fair value of interest rate exchange agreements	55,340
Liabilities held for sale	**$ 428,451**

Cash and cash equivalents held for sale as of June 30, 2015 includes $77.0 million of quasi-endowments transferred to VUMC from endowment cash. Through the Transaction, Vanderbilt transferred $78.8 million of cash to VUMC for these quasi-endowments.

Following the Transaction, Vanderbilt will have an ongoing economic relationship with VUMC in the form of an Academic Affiliation Agreement (AAA), a Trademark Licensing Agreement (TML), a Ground Lease, and a Master Service Agreement (MSA).

The AAA memorializes the ongoing academic, research, and clinical affiliation between the university and VUMC for all of the university's degree-granting, certificate, and research programs. The AAA serves to allocate responsibility between the university and VUMC for jointly administered academic programs, residency programs, and ongoing roles and rights of the university. Vanderbilt reported revenues of $11.7 million under the AAA in affiliated entity revenue for the year ended June 30, 2016. The AAA will remain in effect until termination of the TML or Ground Lease.

Pursuant to the Trademark License Agreement (TML), the university grants, subject to certain consents and approvals, a perpetual license to VUMC to use various university-owned licensed marks in connection with VUMC's fundamental activities after the Transaction date. The licensed marks, which VUMC will continue to use as the primary brands of VUMC, include virtually all those currently in use by VUMC. Vanderbilt reported revenues of $15.2 million under the TML in trademark, license and royalty revenue for the year ended June 30, 2016. The TML will remain in effect until termination of the AAA or Ground Lease.

In conjunction with the Transaction, Vanderbilt and VUMC entered into a Ground Lease. The Ground Lease allows VUMC to use the land on which its campus and related buildings are located. Vanderbilt reported revenues of $3.0 million under the Ground Lease in room, board, and auxiliary revenue for the year ended June 30, 2016. The initial term of the Ground Lease ends June 30, 2114 with the option to extend for up to two additional terms of fifty to ninety-nine years each upon mutual agreement by Vanderbilt and VUMC.

Vanderbilt and VUMC will provide specified services to one another for agreed-upon consideration subsequent to the Transaction as outlined in the MSA. Vanderbilt will continue to provide services to VUMC such as IT support, utilities, and law enforcement staffing. Vanderbilt reported revenues of $19.7 million in the year ended June 30, 2016, associated with these services. These revenues are reported as auxiliary or affiliated entity revenues in the year ended June 30, 2016. VUMC will continue to provide health care, graduate medical education and training, and clinically related research to Vanderbilt. Vanderbilt incurred $7.5 million related to services provided by VUMC reported as supplies, services, and other in the year ended June 30, 2016. The terms of these service agreements between Vanderbilt and VUMC are unique to each agreement.

Revenues of $235 million and $289 million previously eliminated upon consolidation are included within continuing operations as affiliated entity revenue for the years ended June 30, 2016 and 2015, respectively. These revenues reflect services provided to VUMC prior to the Transaction date that continue under the aforementioned agreements subsequent to the Transaction. Discontinued operations reflects the associated expense incurred by VUMC in the respective periods.

Attachment Contribution to the Orderly Development of Healthcare.1

Vanderbilt University
Medical Center Contracts

Vanderbilt University Medical Center Contracts

Abou-Khalil, Bassel/Physicians Ancillary Services, LLC
Copeland, Mary/First Call Ambulance
Crowe, James/University of Jos Teaching Hospital/Nigeria/Lassa
Freiberg, Matthew/Middle Tennessee Research Institute/(MTRI)
Jagasia, Madan/DC #87/COLLECTION CENTER/NATIONAL MARROW DONOR PROGRAM (NMDP) PROCEDURES OF INTERACTION
ResearchMatch: Suny Upstate Medical University
ResearchMatch: MIRA Trustees of Boston University
Rothman, Russell L./Patient-Centered Outcomes Research Institute/(PCORI)/CDRN-1306-04869
SAFETY NET CONSORTIUM OF MIDDLE TENNESSEE, LLC
Spires, Steven/HEALTHSOUTH Corporation/Patient Consultation
[LAB CORE SERVICES] Boyd, Kelli/University of Virginia/TPSR Lab
Abou-Khalil, Bassel/Neurotech, LLC
Abou-Khalil, Bassel/RSC Diagnostic Services
Adam, Rony/ American Urogynecologic Society/(QI-ORN)
Adam, Rony/American Urogynecologic Society
ADVANCED EYECARE LLC
Affiliation Agreement: Coffey, Charles/Provision Proton Center
Ahmed, Syed/Fisk University/NRMN-Link/2586-292 (RFA-RM-13-017)
AIC KIJABE HOSPITAL/KIJABE, KENYA
Alliance Agreement: Meharry Medical College
Allied Health Transition/Educational Advisors
AMBULATORY SURGERY CENTER OF COOL SPRINGS, LLC: PATIENT TRANSFER
AMERICAN COLLEGE OF CARDIOLOGY FOUNDATION REGISTRY (ACC-NCDR) / (Center # 201-485-0000)
American College of Surgeons (ACS) National Surgical Quality Improvement Program
American College of Surgeons (ACS) National Surgical Quality Improvement Program
AMERICAN COLLEGE OF SURGEONS: SOFTWARE: TRACS
AMERICAN DENTAL ASSOCIATION ACCREDITATION VISIT - BUSINESS ASSOCIATE
AMERICAN REGISTRY OF RADIOLOGIC TECHNOLOGISTS
Ancillary Service Agreement: Metro Nashville General Hospital
APOGEE INFORMATICS; SOFTWARE LICENSE AGREEMENT
Aronoff, David / WILLIAMSON COUNTY HOSPITAL DISTRICT
ASHBY, NATHAN / COOK INCORPORATED
Association of American Medical Colleges - Consulting Agreement
ATLAS DEVELOPMENT CORPORATION
Austin Peay Social Work School - Affiliation Agreement
Austin, Jill/ The Mall at Green Hills: Santa's Flight Academy Experience
Austin, Jill/Nashville Sounds-Marketing Agreement
Austin,Jill /Nashville Sounds Baseball Club/VSM
B & L BALLOONING: COOPERATIVE AGREEMENT (SPORTS MEDICINE)
Bailey, Autumne/Child Health Patient Safety Organization
Bailey, Autumne/Children's Hospital Association
Bailey, Autumne/Ohio Children's Hospital Patient Safety
BALDWIN, SCOTT/AMERICAN COLLEGE OF CARDIOLOGY/ (PEDS)
BAPTIST HEALTHCARE MADISONVILLE, INC.-PATIENT TRANSFER
BAPTIST HOSPITAL, NASHVILLE: PATIENT TRANSFER
BAPTIST HOSPITAL/SAINT THOMAS MIDTOWN HOSPITAL: PEDS PATIENT TRANSFER
BAPTIST HOSPITAL: BREAST CANCER STUDY
BAPTIST HOSPITAL: CRITICAL PATIENT TRANSFER
BAPTIST MEMORIAL HOSPITAL - HUNTINGDON: PEDS PATIENT TRANSFER
BAPTIST MEMORIAL HOSPITAL - UNION CITY: PEDS PATIENT TRANSFER
Barkin,Shari /New England Research Institute/NERI PROJECT P-1582
BATON ROUGE GENERAL HOSPITAL PATHOLOGY
Bella Baby Photography of Ohio, LLC
Bellamy, Dennis / Bellevue Athletic Association, Inc.
Bellamy, Dennis/A & M Services
Bellamy, Dennis/Hendersonville Soccer Club
Bellamy, Dennis/Overbrook School
Bellamy, Dennis/Tennessee Secondary School Athletic Association
Bellamy, Dennis/Tennessee Soccer Club
BELLAR, MARC/rl Solutions Risk Monitor Pro Software
BELLER, MARC/Validation Partners
BELMONT UNIVERSITY: CLINICAL PHARMACY SERVICES
BELMONT UNIVERSITY: SPORTS MEDICINE
Bennett, Kelly/Baptist Medical Health Group/Kentucky/PSA

Berkman, Richard/IV Contrast Admin/Premier Radiology
BETHANY HEALTH & REHABILITATION: PATIENT TRANSFER
BETHANY HEALTH CARE CENTER: MEDICAL DIRECTOR (HABERMANN)
BIBEAU, DEBORAH/eCARDIO DIAGNOSTICS, LLC
BIESEMEIER, CHRIS (CHRISTINA)/ WIC SERVICES AGREEMENT
Billing Agreement - Jagasia, Madan/Irish VICC Pilot
Billing Agreement - Jagasia, Madan/Non Sponsored/Irish VICC Pilot
BILLING AGREEMENT RECORDS: Non-Sponsored Billing Agreements (provided by the VU Provost's Office, without PEER Contract Requests)
Billing Agreement: Bastarache, Julie/Vanderbilt University - Nathan Putz
Billing Agreement: Chadha, Mohit/Vanderbilt University
Billing Agreement: Chadha, Mohit/Vanderbilt University
Billing Agreement: Courtney, Jeannine/Vanderbilt University
Billing Agreement: Emeson, Ronald/Vanderbilt University
Billing Agreement: Hackett, Troy/Vanderbilt University (Wallace and Hager)
Billing Agreement: Hartmann, Katherine/Vanderbilt University

Billing Agreement: Hartmann, Katherine; Vanderbilt University; Vanderbilt Faculty Research Scholars Award
Billing Agreement: Irish VICC Pilot Project FY17
Billing Agreement: Levine, Edward/Vanderbilt University
Billing Agreement: Malow, Beth/Vanderbilt University - TIP Program
Billing Agreement: Manning, Henry/Vanderbilt University
Billing Agreement: Newcomb,Dawn/Vanderbilt University - Jaqueline Cephus
Billing Agreement: Peterson, Todd/Vanderbilt University
Billing Agreement: Pietenpol, Jennifer/Vanderbilt University (VICC)
Billing Agreement: Powers, Alvin/Vanderbilt University
Billing Agreement: Pulley, Jill/Vanderbilt University
Billing Agreement: Raju, Nagarajan/Vanderbilt University
Billing Agreement: Rathmell, Jeffrey/Vanderbilt University
Billing Agreement: Robertson, Amy/Vanderbilt University
Billing Agreement: Swift, Larry/Vanderbilt University
Billing Agreement: Banks, David; Office of General Counsel, Vanderbilt University
Billing Agreement: Banks, David; Vanderbilt University School of Medicine, Department of Molecular Physiology and Biophysics (MPB)
Billing Agreement: Banks, David; VU Police Department
Billing Agreement: Banks, David; VU Real Estate Office
Billing Agreement: Brown, Nancy; Vanderbilt University Medical Center; Vanderbilt University
Billing Agreement: Courtney, Jeannine/Vanderbilt University
Billing Agreement: Galassie, Allison/Vanderbilt University
Billing Agreement: Gamboa, Jorge; Vanderbilt University
Billing Agreement: Harrison, David; Vanderbilt University
Billing Agreement: Hartmann, Katherine/Vanderbilt University/Faculty Research Scholar
Billing Agreement: Jarrett, Ryan/ Vanderbilt University
Billing Agreement: Luther, James; Vanderbilt University
Billing Agreement: Pietenpol, Jennifer/Vanderbilt University (non-sponsored)
Billing Agreement: Roden, Dan; Steris Autoclave Renewal Contract
Billing Agreement: Roden, Dan; Vanderbilt University
Billing Agreement: Schlueter, David/ Vanderbilt University (CANS)
Billing Agreement: Shyr, Yu/Vanderbilt University/NSBA
Billing Agreement:Fabbri, Daniel/Vanderbilt University/non-sponsored

BIO-MEDICAL APPLICATIONS of Kentucky INC (FORMERLY BOWLING GREEN KIDNEY CENTER): BACKUP DIALYSIS
BIO-MEDICAL APPLICATIONS of Kentucky INC (FORMERLY GLASGOW KIDNEY CENTER): BACKUP DIALYSIS
BIO-MEDICAL APPLICATIONS OF TENNESSEE: OUTPATIENT MANAGEMENT AGREEMENT

Bio-Medical Applications of Virginia, Inc. (Fresenius Medical Care of Abingdon Dialysis in Abingdon, VA (VA2): Kidney/Dialysis
Birdee, Gurjeet / Fresenius Management Services, Inc.
BLAKEFORD AT GREEN HILLS: PATIENT TRANSFER
BLOUNT MEMORIAL HOSPITAL: CRITICAL CARE
BOLIVAR GENERAL HOSPITAL: PEDS PATIENT TRANSFER
Bosworth, Susan / Thomas Jefferson University, Jefferson School of Nursing
Bosworth, Susan/ Rutgers, The State University of New Jersey/Nutrition Services
Bosworth, Susan/Drexel University, College of Nursing and Health Professions
Bosworth, Susan/Seton Hill University/
BRET NSBA FILE (Billing agreements)
Brissova, Marcela/Louisiana State University/Pennington Biomedical Research
BRISTOL REGIONAL MEDICAL CENTER: BURN PATIENT TRANSFER

BROWN, KIMBERLY/METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY/PROFESSIONAL PSYCHOLOGICAL SERVICES
Bruehl,Stephen/University of Rochester
Buller, Gerald/URAC - Promoting Quality Health Care/Specialty Pharmacy URAC Accreditation Agreement
Bundled Payments for Care Improvement Model 2 Agreement: Centers for Medicare and Medicaid Services
Business Associate Agreement: Simmons,Sandra/Mt. Juliet Health Care Center, Inc.
Butka, Brenda/Trevecca Health Care Center
CALDWELL COUNTY DIALYSIS: TRANSPLANT
CALDWELL COUNTY HOSPITAL INC: PATIENT TRANSFER
Calkins, David/Editas Medicine
Call Coverage Agreement - Howell Allen Clinic, P.C.
CAMDEN GENERAL HOSPITAL: PEDS PATIENT TRANSFER
Cardiology Services Agreement: Maury Regional Medical Center (Cardiology Services)
Carlson, Brian/The Advisory Board Company (iRound program)
CENTENNIAL MEDICAL CENTER: PEDS PATIENT TRANSFER
CENTRAL KENTUCKY DIALYSIS CENTERS, LLC. /DAVITA: KIDNEY TRANSPLANT AFFILIATION

CHATTANOOGA-HAMILTON COUNTY HOSPITAL AUTHORITY D/B/A ERLANGER HEALTH SYSTEM / OPHTHALMOLOGY SERVICES
CHATTANOOGA-HAMILTON COUNTY HOSPITAL AUTHORITY: PATHOLOGY LABORATORY SERVICES
CHEER SPORT INC.: ATHLETIC TRAINER
CHILD LIFE: BEDFORD COUNTY SCHOOLS
CHILD LIFE: Belmont University (MUSIC THERAPY)
CHILD LIFE: BENTON COUNTY SCHOOLS
CHILD LIFE: CALDWELL COUNTY BOARD OF EDUCATION
CHILD LIFE: CANNON COUNTY SCHOOLS
CHILD LIFE: CHEATHAM COUNTY SCHOOLS
CHILD LIFE: CHEROKEE COUNTY SCHOOL DISTRICT
CHILD LIFE: CHRISTIAN COUNTY SCHOOLS
Child Life: Clarksville Montgomery County Schools
CHILD LIFE: CLAY COUNTY SCHOOL SYSTEM
Child Life: Coffee County Schools
CHILD LIFE: CRITTENDEN COUNTY (KENTUCKY)
CHILD LIFE: CUMBERLAND COUNTY
CHILD LIFE: DICKSON COUNTY SCHOOLS
CHILD LIFE: FRANKLIN COUNTY SCHOOLS
CHILD LIFE: FRANKLIN SPECIAL SCHOOL DISTRICT
CHILD LIFE: GIBSON COUNTY SPECIAL SCHOOLS
CHILD LIFE: GILES COUNTY SCHOOLS
CHILD LIFE: GRAVES COUNTY SCHOOLS
Child Life: Hamilton County Department of Education
CHILD LIFE: HARDEMAN COUNTY SCHOOLS
CHILD LIFE: HOUSTON COUNTY SCHOOLS
CHILD LIFE: HUMPHREYS COUNTY SCHOOLS
CHILD LIFE: JACKSON COUNTY SCHOOLS
CHILD LIFE: JACKSON-MADISON COUNTY SCHOOLS
CHILD LIFE: John Brown University
CHILD LIFE: KINGSPORT CITY SCHOOLS
CHILD LIFE: LAWRENCE COUNTY SCHOOLS
CHILD LIFE: LEWIS COUNTY SCHOOLS
CHILD LIFE: Manchester City Schools
CHILD LIFE: MAURY COUNTY SCHOOLS
CHILD LIFE: McCracken County Public Schools
CHILD LIFE: MORGAN COUNTY SCHOOLS
CHILD LIFE: MURFREESBORO CITY SCHOOLS
CHILD LIFE: PUTNAM COUNTY SCHOOLS
CHILD LIFE: ROANE COUNTY SCHOOLS
CHILD LIFE: Sumner County Board of Education
Child Life: Sweetwater City Schools
CHILD LIFE: TULLAHOMA CITY SCHOOLS
CHILD LIFE: VAN BUREN COUNTY SCHOOLS
CHILD LIFE: WARREN COUNTY SCHOOLS
CHILD LIFE: WAYNE COUNTY SCHOOLS
CHILD LIFE: WHITE COUNTY BOARD OF EDUCATION
CHILD LIFE:GRAINGER COUNTY SCHOOLS
CHILDREN'S HOSPITAL ALLIANCE OF TENNESSEE (CHAT): LEASED EMPLOYEE SERVICES
CHILDREN'S HOSPITAL at ERLANGER: PEDS PATIENT TRANSFER

CHRISTMAS VILLAGE:HEARING AND SPEECH SCIENCES
Churchwell, Keith/Vanderbilt One Hundred Oaks Imaging, LLC: Professional Services
Claassen, Daniel / Wave Life Sciences, Ltd.
CLAIBORNE COUNTY HOSPITAL/LETTER OF AGREEMENT
Clair, Walter/Integrity Locums (Cardiologist services to Maury Regional)
CLAY COUNTY SCHOOLS: MAMA LERE HEARING SCHOOL
Cobb, Cheryl/Tennessee Voices for Children, Inc
CODERYTE, INC./ SOFTWARE LICENSE AGREEMENT
COFFEE COUNTY SCHOOLS: MAMA LERE HEARING SCHOOL
Collier, Sarah / The Broad Institute
Collier, Sarah/ Northwestern University
Collins, Theresa/National board of Certification for Medical Interpreters
COMPREHENSIVE CARE CENTER(CCC):STATE OF TN
Consulting Agreement: Ogilvy Government Relations Consulting Agreement.
CONSULTING AGREEMENT: VUMC / SYMBION ARC MANAGEMENT SERVICES, INC
COOKEVILLE REGIONAL MEDICAL CENTER: PATIENT TRANSFER
COOKEVILLE REGIONAL MEDICAL CENTER: PEDS PATIENT TRANSFER
COOL SPRINGS SURGERY CENTER: BUSINESS ASSOCIATE AGREEMENT
COOL SPRINGS SURGERY CENTER: PATHOLOGY AGREEMENT
Cooper, william (PARS)/Duke University Medical Cener
Cooper, William (PARS)/RUSH UNIVERSITY MEDICAL CENTER
Cooper, William (PARS/BAA)/Palo Alto Medical Foundation
Cooper, William / (PARS) / GEISINGER SYSTEM SERVICES
Cooper, William / (PARS) / LOYOLA UNIVERSITY MEDICAL CENTER
Cooper, William / (PARS) / NORTHSHORE UNIVERSITY HEALTHSYSTEM
Cooper, William / (PARS) / ORTHOCAROLINA
COOPER, WILLIAM / (PARS) / REGENTS OF THE UNIVERSITY OF CALIFORNIA
Cooper, William / (PARS) / SAINT LOUIS UNIVERSITY d/b/a SLUCare
Cooper, William / (PARS) / SANFORD
Cooper, William / (PARS) / STANFORD UNIVERSITY HOSPITALS AND CLINICS
COOPER, WILLIAM / (PARS) / THE QUEENS MEDICAL CENTER (QMC)
Cooper, William / (PARS) / UNIVERSITY OF ILLINOIS
Cooper, William / (PARS) / UNIVERSITY OF NORTH CAROLINA HEALTH CARE SYSTEM
Cooper, William / (PARS) / UNIVERSITY OF PENNSYLVANIA as owner and operator of the UNIVERSITY OF PENNSYLVANIA HEALTH SYSTEM
Cooper, William / (PARS) / WAKE FOREST BAPTIST MEDICAL CENTER
Cooper, William / Duke University Medical Center (PARS)
Cooper, William / University of Michigan (PARS/CORS)
Cooper, William/ (BAA/PARS) Edward Hospital and Linden Oaks Hospital
Cooper, William/ (PARS)/LUCILLE SALTER PACKARD CHILDRENS HOSPITAL: SERVICES AGREEMENT
Cooper, William/ (PARS)/University of Mississippi Medical Center
Cooper, William/(PARS)/ Charlotte Eye Ear Nose and Throat Assoc, P.A.
Cooper, William/(PARS)/ Johns Hopkins
Cooper, William/(PARS)/THE EMORY CLINIC, INC.
Cooper, William/Community Health Systems(PARS)
Cooper, William/NYP Cornell University/ PARS
Cooper, William/The University of Rochester Medical Center/(PARS)
Copeland, Kate/Baby+Company/Pediatric Transport
Copeland, Mary/ Nashville Fire Department Emergency Medical Services
Copeland, Mary/First Call/First Call Ambulance Agreement/Pediatric Neonatal Transport
Core Lab: Banerjee, Arna/Society for Pediatric Sedation/Provider Course
Core Lab: Banerjee, Arna/Society of Critical Care Medicine/Annual Conference

CORE LAB: Sutcliffe, Cara/University of Alabama at Birmingham/Vantage - 96 GENHAT blood clot slurry samples
Creech, Clarence/ Diatherix
CRITTENDEN HEALTH SYSTEMS: PATIENT TRANSFER
CROCKETT HOSPITAL: PEDS PATIENT TRANSFER
Cross, Janet/Metro Nashville Public Schools/MPBE
CROWE, JAMES E/VANDERBILT VACCINCE CENTER AND INFANT FOUNDATION/ARGENTINA
Crowe, James/University of Jos Teaching Hospital/Nigeria/Measles
CULTURAL ENRICHMENT/ART LOAN AGREEMENT/PRIVATE COLLECTION OF JOHN MILLER
CULTURAL ENRICHMENT/ART LOAN AGREEMENT/PRIVATE COLLECTION PIECE/JEAN GAULD-JAEGER
CULTURAL ENRICHMENT: ALPERT, HERB
CULTURAL ENRICHMENT: BEN CALDWELL
CULTURAL ENRICHMENT: GRUBER, MARTIN
CULTURAL ENRICHMENT: LIFF, JUDY (NOAH)

CULTURAL ENRICHMENT: MCGREW, DR. SUSAN
CULTURAL ENRICHMENT: PAUL AND GLORIA STERNBERG
Cumberland Heights:Peds Transfer Agreement
CUMBERLAND MEDICAL CENTER: PEDS PATIENT TRANSFER
CUMBERLAND PEDIATRIC FOUNDATION: LEASED EMPLOYEE SERVICES
CUMBERLAND RIVER HOSPITAL: PEDS PATIENT TRANSFER
Cupples, Amanda/South Gibson County High School/Observational
Curahealth / Kindred Hospital; Master Services Agreement
CURREY INGRAM ACADEMY - SPORTS MEDICINE PROGRAM
Damon, Bruce: Vanderbilt University/NIH/NIGMS - T32GM07628 - UNIV58730

DATA TRANSFER: Quality, Safety and Risk Prevention Center for Patient and Professional Advocacy/Wake Forest
Data Use Agreement: Pediatric Clinical Care Consortium: University of Michigan
DAVITA/EAST EVANSVILLE DIALYSIS-RENAL LIFE LINK, INC.:KIDNEY TRANSPLANT AFFILIATION
DAVITA/GARDENSIDE DIALYSIS-RENAL LIFE LINK, INC.:KIDNEY TRANSPLANT AFFILIATION
DAVITA/TOTAL RENAL CARE INC./KIDNEY TRANSPLANT AFFILIATION
DAVITA/TOTAL RENAL CARE, INC.: CLARKSVILLE NORTH DIALYSIS
DAVITA/TOTAL RENAL CARE, INC.: KIDNEY TRANSPLANT AFFILIATION
DAVITA/TOTAL RENAL CARE, INC.: LEITCHFIELD DIALYSIS
DAVITA: TOTAL RENAL CARE/SPARTA DIALYSIS FACILITY
Dayani/Survivor Fitness Foundation
DCI DONOR SERVICES, INC. d/b/a TENNESSEE DONOR SERVICES/TRANSPLANT CENTER AGREEMENT
DCI: MASTER AGREEMENT: TRANSPLANT
DCS - EARLY AND PERIODIC SCREENING, DIAGNOSIS AND TREATMENT (EPSDT)
de Riesthal, Michael/ Vanderbilt Stallworth Rehabilitation Hospital/
Deaconess Hospital, Inc.; Patient Transfer Agreement - Deaconess Primary Stroke Center
DeBaun, Michael/University of Mississippi Medical Center
DECATUR COUNTY HOSPITAL: PEDS PATIENT TRANSFER
Dennis Bellamy/Wilson County School System/Sports Medicine
DIGIRAD IMAGING SOLUTIONS, INC.
DMOCHOWSKI, ROGER/METRO PUBLIC HEALTH DEPARTMENT (EMERGENCY PREPAREDNESS)
DUA: Crowe, James/University of California Berkeley/
Dunworth, Brent/Emory University/Vanderbilt University/Clinical Affiliation
DVA RENAL HEALTHCARE, INC./PATIENT TRANSFER AGREEMENT
DVA RENAL HEALTHCARE, INC.: PATIENT TRANSFER
DVA RENAL HEALTHCARE/KIDNEY TRANSPLANT AFFILIATION AGREEMENT
Dyersburg Regional Medical Center: Patient Transfer Agreement
DYERSBURG REGIONAL MEDICAL CENTER: PEDIATRIC PATIENT TRANSFER
EASLEY DIALYSIS CENTER: TRANSPLANT
EAST TENNESSEE CHILDREN'S HOSPITAL: PEDS PATIENT TRANSFER
Ebert, Jon/Chapin Hall/Univ of Chicago
Ebert, Jon/Haman, Kirsten/Kuhn, Tarah - ESA (Teaching Fall 2016 Peabody HOD)
Ebert, Jon/University of Tennessee Health Sciences Center/State of Tennessee Department of Children's Services
Edgerton, Dale/NGM Biopharmaceuticals/Research Core Services Agreement
Edgeworth, Mitch/State of Tennessee Highland Rim Healthcare Coalition/Emergency Preparedness/MOA
Ellis, Christopher/Medtronic Consulting Agreement
Employee Lease Agreement for the CEO of Vanderbilt Stallworth Rehabilitation Hospital
END STAGE RENAL DISEASE (ESRD): NETWORK MEMBERSHIP AGREEMENT
Enrollment and License Agreement: University HealthSystem Consortium
ERLANGER HEALTH SYSTEM: BURN PATIENT TRANSFER
Erlanger Health System: Pediatric Nephrology Call Coverage
ESA RECORDS (Received from the VU Provost's Office without PEER Contract Requests)
ESA: Jerome, Walter/Vanderbilt University
ESA: Brown, Clint/Vanderbilt University - COEUS Support
ESA: Calkins, David/Vanderbilt University
ESA: Carter,Kimberly/Vanderbilt University
ESA: Churchill, Larry/Vanderbilt University
ESA: Damon, Bruce/Vanderbilt University
ESA: de Caestecker, Mark/Vanderbilt University
ESA: Doherty, Stephen/Vanderbilt University (Vikram Tiwari)
ESA: Dugger, Tim/Vanderbilt University
ESA: Dunbar, Jenni/Vanderbilt University - Peabody College
ESA: Emeson, Ronald/Vanderbilt University
ESA: Harris, Carla/Vanderbilt University
ESA: Hoover, Richard/Vanderbilt University
ESA: Johnson, Kevin/Vanderbilt University

ESA: Joosten, Yvonne; Vanderbilt University (Velma Murry)
ESA: Malow, Beth/Vanderbilt University - TIPS Project
ESA: Milne, Ginger/Vanderbilt University
ESA: Nikpay, Sayeh/Vanderbilt University
ESA: Pietenpol, Jennifer/Vanderbilt University
ESA: Rothman, Russell L./Vanderbilt University
ESA: Rothman, Russell/Vanderbilt University
ESA: Rothman, Russell/Vanderbilt University (HSR)
ESA: Shyr, Yu/Vanderbilt University
ESA: Silver, Heidi/Vanderbilt University - TIPS
ESA: Skaar, Eric/Vanderbilt University
ESA: Starr, Suzanne/Vanderbilt University
ESA: Vanderbilt University/Non- MD Faculty Teaching
ESA: Bergner, Erin; Vanderbilt University
ESA: Herrell, Stanley Duke/Vanderbilt University
ESA: Juarez, Adam/Vanderbilt University
Ess,Kevin /JACKSON-MADISON COUNTY GENERAL HOSPITAL
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt - ADTRAN, Inc.
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt :Cracker Barrel - Executive Physicals
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt- Henner Healthcare
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt/ Protective Live (Biometric Health Screenings/Flu)
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt/Advanced Composites, Inc
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt/Bridgestone Americas
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt/Clarcor
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt/MIDWEST OCCUPATIONAL MEDICINE
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt/Nashville Electric Service
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt/OnSite Wellness LLC
Executive and Mariner Health at Vanderbilt / Corporate Health and Wellness at Vanderbilt/Tractor Supply
Executive and Mariner Health at Vanderbilt/Corporate Health and Wellness at Vanderbilt :Backer-Springfield (Backer EHP Inc)
Executive and Mariner Health at Vanderbilt/Corporate Health and Wellness at Vanderbilt/Gideons International
Executive and Mariner Health at Vanderbilt/Corporate Health and Wellness at Vanderbilt/Rogers Group, Inc
Executive and Mariner Health at Vanderbilt: Nissan North America, Inc.
EXECUTIVE HEALTH RESOURCES (EHR)
Family Health Group, Inc.,
FDA/IPA: Harrell, Frank (FDA)
Finlayson, Alistair James Reid; JourneyPure At The River (Center) LLC
FINLAYSON, REID/CENTER FOR PROFESSIONAL EXCELLENCE (CPE)
Fish, Frank/University of New Mexico/Pediatric Cardiology Professional Services Agreement
FMC of Lake Cumberland: Patient Transfer Agreement
FMCNA WATAUGA COUNTY/DIALYSIS TRANSPLANT AGREEMENT
FMC-PADUCAH, KENTUCKY (DIALYSIS)
Franklin Classical School: Sports Medicine
FRANKLIN COUNTY SCHOOL DISTRICT: MAMA LERE HEARING SCHOOL
FRANKLIN WOODS COMMUNITY HOSPITAL: BURN PATIENT TRANSFER
FREEDOM MIDDLE SCHOOL; SPORTS MEDICINE PROGRAM
Freeman, Michael/DRI TN/DHS National BioSurveillance Intergration Center (NBIC)
Freiberg, Matthew/Boston Medical Center
Freiberg,Matthew/Boston Medical Center
FRESENIUS MEDICAL CARE OF HUNTSVILLE: DIALYSIS
FRESENIUS MEDICAL CARE OF MURRAY (PATIENT TRANSFER) DIALYSIS TRANSFER
FRESENIUS MEDICAL CARE: MASTER I
FRESENIUS MEDICAL SERVICES SOUTHEAST: DIALYSIS
Friedman, Elisa/ HIDE, Inc./Meharry-Vanderbilt Alliance
FT SANDERS PARKWEST MEDICAL CENTER: BURN PATIENT TRANSFER
FT SANDERS REGIONAL MEDICAL CENTER: CRITICAL PATIENT TRANSFER
Gadd,Cynthia /American Medical Informatics Association/Professional Services
GAILANI, DAVID/TELCOR TECHNOLOGIES, INC.
Gailani, David/University of Leeds/Lab Services Agreement
GAMBRO HEALTH CARE DIALYSIS CLINICS: MASTER AGREEMENT
GATEWAY HEALTH SYSTEM, INC: NEONATOLOGY SERVICES & MEDICAL DIRECTOR

GATEWAY HEALTH SYSTEMS: ECHOCARDIOGRAM & EKG's
GATEWAY HEALTH SYSTEMS: PEDS PATIENT TRANSFER
Germain, Sean/Meharry - Hematology/Oncology - Special Circumstances Agreement
GET WITH THE GUIDELINES: AMERICAN HEART ASSOCIATION / AMERICAN STROKE ASSOCIATION
Gifford, Rene / ADVANCED BIONICS
GIFFORD, RENE / COCHLEAR AMERICAS
Gifford, Rene/University of Memphis/Training Agreement
GME: INTERFAITH CLINIC: RESIDENT DENTAL SERVICES
GME: NASHVILLE GENERAL HOSPITAL (NGHM) @ MEHARRY: AFFILIATION ADDENDUM (UROLOGY RESIDENTS)
GME: St Thomas Midtown: OUTGOING RESIDENT AFFILIATION (Multiple Specialties)
GME: SUMNER REGIONAL MEDICAL CENTER: OUTGOING RESIDENT/FELLOW AFFILIATION (Emergency Medicine)
GME: VA AFFILIATION AGREEMENT
GOOD SAMARITAN HEALTH AND REHAB CENTER: PATIENT TRANSFER
Gracey, Kathy/Chapin Hall/Univ of Chicago
GRACEY, KATHY/METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY (2-218740-13)/METROPOLITAN BOARD OF PUBLIC EDUCATION
Gracey, Kathy/Renewal House
Graham,Thomas (Brent) /East Tennessee Children's Hospital/
GREEN HILLS HEALTH AND REHAB CENTER: PATIENT TRANSFER
GREENVIEW REGIONAL HOSPITAL: PATIENT TRANSFER
Gregory, Luke/CHA Children's Hospital Assoc./Membership Agreement
HABERMANN, RALF / GENTIVA HOSPICE: MEDICAL DIRECTOR
Hadjifrangiskou, Maria /Nestle Purina PetCare Global Resources, Inc
HAMILTON MEDICAL CENTER: PATIENT TRANSFER
HARBIN CLINIC: Hemodialysis and Transplant Agreement
HARDIN Medical Center: PEDS PATIENT TRANSFER
HARPETH DIALYSIS CLINIC, NATIONAL RENAL ALLIANCE, LLC
HARPETH HIGH SCHOOL: VANDERBILT SPORTS MEDICINE SERVICES
Harris, Paul/University of Pennsylvania (CORE Lab Services Agreement)
Harris, Raymond / Davita Medical Director
Hartert, Tina/Rivergate Pediatric Associates/U19 AI095227
HARTON REGIONAL MEDICAL CENTER: PATIENT TRANSFER AGREEMENT
Hatch, Hurst; Jennie Stuart Medical Center
HAYES MANAGEMENT CONSULTING/SOFTWARE LICENSE AGREEMENT
Hayes, Marcus; Franklin Special School District; Vanderbilt University Medical Center
HCA/TRI-STAR: LIFEFLIGHT
HEALTHCARE COMPUTER CORPORATION: THIRD PARTY BILLING AGREEMENT
HEALTHPORT CORPORATION: PROVISION OF MEDICAL RECORDS TO PATIENTS
HEARING AND SPEECH SCIENCES:SUMNER COUNTY SCHOOL DISTRICT (PROFESSIONAL SERVICES)
HENDERSON COUNTY COMMUNITY HOSPITAL: PEDS PATIENT TRANSFER
HENDERSONVILLE MEDICAL CENTER: PEDS PATIENT TRANSFER
Henley,Lis /Air Methods/General Council Service Agreement
Henlsy, Lis / CMA Music Festival
HENRY COUNTY MEDICAL CENTER: PEDS PATIENT TRANSFER
HERITAGE MEDICAL CENTER: PATIENT TRANSFER
HERITAGE MEDICAL CENTER: PEDS PATIENT TRANSFER
HERMITAGE HALL: PATIENT TRANSFER
Hermitage Hall: Peds Patient Transfer
Hickman County Schools/Metro Board of Education (NCCDFC)/Mama Lere Hearing School
Hickson, Gerald/ University of Southern California/Perioperative
Hickson, Gerald/Sanford-Bismarck
Hickson, Gerald/University of Toledo College of Medicine and Life Sciences
Hileman, Jeffery/Impelsys Inc. - License Agreement
HILLSIDE HOSPITAL D/B/A SOUTHERN TENNESSEE REGIONAL HEALTH SYSTEM - PULASKI: PEDS PATIENT TRANSFER
Hood Lancaster, Lisa/Idiopathic Pulmonary Fibrosis Clinical Research Network
HORIZON MEDICAL CENTER: PEDS PATIENT TRANSFER
Horn, Leora/ Merck Sharp & Dohme Corp. subsidiary of Merck & Co. Inc.
Hoskins, Timothy / Prep Football America /
Hoskins, Timothy/The Franklin Cowboys
HoskinsTimothy /The Spring Hill Youth Football Association/Sports Medicine
Hospital Authority of Nashville - Metro Nashville General Hospital/VPLS Reference Lab
HOSPITAL HOSPITALITY HOUSE OF NASHVILLE, INC.
HOUSTON COUNTY COMMUNITY HOSPITAL: PEDS PATIENT TRANSFER
HTI MEMORIAL HOSPITAL, INC D/B/A TRISTAR SKYLINE MEDICAL CENTER/ PEDS PATIENT TRANSFER
HTI MEMORIAL HOSPITAL, INC., D/B/A SKYLINE MEDICAL CENTER: BURN PATIENT TRANSFER
HUBBARD, MARK/LYNX MEDICAL SYSTEMS, INC/

Hudson, Julie K./ The Davis Phinney Foundation
HUDSON, JULIE/AMERICAN HEART ASSOCIATION (HEART WALK)
HUDSON, JULIE/AMERICAN HEART ASSOCIATION (HEART WALK)(RUTHERFORD CO.)
HUFFINES, STEPHEN/MCCREADIE GROUP, INC.
Hunley, Tracy/Nationwide Childrens Hospital/NephCure Kidney Foundation - CureGN
Hurst (Pepper) Hatch/ Erlanger Health System
IMG Marketing Agreement : Sports Medicine
Information Services Agreement: New Light Imaging, LLC
INGRAM BARGE COMPANY SERVICE AGREEMENT
Inpatient and Outpatient Hospital Services: Alive Hospice
IRB Choice Master Agreement: Mercy Hospital Springfield
IRB Choice Master Agreement: Wake Forest
IRBChoice Master agreement : University of California, DAVIS
IRBChoice Master Agreement: Louisiana State University A&M College
IRBChoice Master Agreement: Louisiana State University Health Sciences Center in Shreveport
IRBChoice Master Agreement: Marshall University
IRBChoice Master Agreement: Medical Universary of South Carolina
IRBChoice Master Agreement: Ohio University
IRBChoice Master Agreement: Oregon Health & Science University
IRBChoice Master Agreement: Texas A & M University
IRBChoice Master Agreement: The Board of Supervisors of Louisiana State University and Agricultural and Mechanical College represented by its Pennington Biomedical Research Center
IRBChoice Master Agreement: The Rockefeller University
IRBChoice Master Agreement: Tulane University
IRBChoice Master Agreement: UNewMexico (Regents of the University of New Mexico for its public operation known as the Health Sciences Center)
IRBChoice Master Agreement: University of California San Diego
IRBChoice Master Agreement: University of California, San Francisco
IRBChoice Master Agreement: University of Cincinnati
IRBChoice Master Agreement: University of Illinois at Chicago
IRBChoice Master Agreement: University of Miami.
IRBChoice Master Agreement: University of Pennsylvania
IRBChoice Master Agreement: University of Pittsburgh
IRBChoice Master Agreement: University of Utah
IRBChoice Master Agreement: University of Washington
IRBChoice Master Agreement: UTHSC Houston (The University of Texas Health Science Center at Houston)
IRBChoice Master Agreement: West Virginia University
IRBChoice Master Agreement: Baylor Research Institute
IRBChoice Master Agreement: Duke
IRBChoice Master Agreement: Louisiana State University Health Sciences Center-New Orleans
IRBChoice Master Agreement: Medical University of South Carolina
IRBChoice Master Agreement: Ochsner Health System
IRBChoice Master Agreement: St. Clair Regional Medical Center
IRBChoice Master Agreement: Tufts Medical Center
IRBChoice Master Agreements: UT Health Science Center at San Antonio,
IRBChoice Master: Clinical Directors Network
IRBChoice Master Agreement/Stanford University
IRBChoice Master Agreement: Baystate Health (Tufts affiliate)
IRBChoice Master Agreement: Mount Sinai (formerly IRBShare)
IRBchoice Master Agreement: The Children's Hospital of Philadelphia
IRBChoice Master Agreement: University of Kentucky
IRBChoice Master Agreement: University of Southern California
IRBCholce Master Agreement: Vanderbilt University
IRBchoice Master Agreement: Albert Einstein College of Medicine
IRBChoice Master Agreement: Augusta University
IRBChoice Master Agreement: Cincinnati Children's Hospital Medical Center
IRBChoice MAster Agreement: Mississippi State University
IRBChoice Master Agreement: Montefiore Medical Center
IRBChoice Master Agreement: St. Francis Health System, Inc.
IRBchoice Master Agreement: St. Jude Children's Research Hospital
IRBChoice Master Agreement: The Children's Mercy Hospital
IRBChoice Master Agreement: Tufts University
IRBChoice Master Agreement: University of Alabama at Birmingham
IRBChoice Master Agreement: University of Colorado-Denver
IRBchoice Master Agreement: University of Texas Southwestern Medical Center
IRBChoice Master Agreement: Virginia Commonwealth University

IRBChoice Master Agreement: Xavier University of Louisiana
IRBChoice Master: Georgia Regents University
IRBChoice Master: Northwell Health
IRBshare Master Agreement: UCLA
IRBshare Master Agreement: University of Arkansas Medical School
IRBshare Master Agreement: Baystate Health Inc
IRBshare Master Agreement: Northshore Health Systems
IRBshare Master Agreement: Northwestern University
IRBshare Master Agreement: University of Minnesota
JACKSON MADISON COUNTY GENERAL HOSPITAL: PEDS PATIENT TRANSFER
JACKSON PURCHASE MEDICAL CENTER: PATIENT TRANSFER
JACKSON-MADISON CO GEN HOSP DIST: EXHIBIT II - ECHOCARDIOGRAM AND EKG INTERPRETATION
JACKSON-MADISON COUNTY GENERAL HOSPITAL DISTRICT (Outpatient Pediatric Services)
JACKSON-MADISON COUNTY GENERAL HOSPITAL DISTRICT (Space Use & Support Services)
JACKSON-MADISON COUNTY GENERAL HOSPITAL DISTRICT ANCILLARY SERVICES CONTRACT - Affiliation
JACOBSON, GARY/AUDIOLOGY SERVICES: HERITAGE RETIREMENT FACILITIES
Jagasi, Madan/NMDP NORTHCENTRAL 001 - 2255 - COLLECTION CENTER/NATIONAL MARROW DONOR PROGRAM (NMDP) PROCEDURES OF INTERACTION
JAGASIA, MADAN /BLOOD ASSURANCE, INC.115 - 2555/COLLECTION CENTER/NATIONAL MARROW DONOR PROGRAM (NMDP) PROCEDURES OF INTERACTION
Jagasia, Madan /University of Michigan/5U10HL06933015
Jagasia, Madan/ DC #87/APHERESIS CENTER/NATIONAL MARROW DONOR PROGRAM (NMDP) PROCEDURES OF INTERACTION
Jagasia, Madan/BLOOD ASSURANCE, INC. 115 - 9888 /APHERESIS CENTER/NATIONAL MARROW DONOR PROGRAM (NMDP) PROCEDURES OF INTERACTION
JAGASIA,MADAN/NMDP NORTHCENTERAL 001 - 9888/APHERESIS CENTER/NATIONAL MARROW DONOR PROGRAM (NMDP) PROCEDURES OF INTERACTION
JENNIE STUART MEDICAL CENTER: PATIENT TRANSFER
Johnson, Kevin: Epic (Perioperative Management)
JOINT COMMISSION RESOURCES: BUSINESS ASSOCIATE AGREEMENT
Joosten, Yvonne/St James Missionary Baptist Church
Joosten, Yvonne/Temple Church/Meharry-Vanderbilt Alliance Foundation (MVCERP)
JUNIOR LEAGUE OF NASHVILLE
KAYE, JEREMY/HERITAGE MEDICAL ASSOCIATES, P.C.; PROFESSIONAL SERVICES AGREEMENT
KEHLER, LORI ANN/ STATE OF TENNESSEE / DEPARTMENT OF EDUCATION
Killian,Karon/ EduMed Partners, LLC
KINDRED HOSPITAL NASHVILLE: BURN PATIENT TRANSFER
Kindred Hospitals: Professional Services Agreement
KINKUS, CANDIS/CERNER - SOFTWARE LICENSE AGREEMENT
Kirschner, Austin/Clarity Patient Safety Organization
Knuutila, Ronald, Women Obstetrics and Gynecology (Employee Lease Agreement)
Koues, Olivia/ University of Virginia-Charlottesville/Research Core/Vantage
Koues, Olivia/Boston University School of Medicine/Research Core
Koues, Olivia/University of Memphis School of Public Health/Lab Services
KUHN, JOHN/MIDDLE TENNESSEE STATE UNIVERSITY
KUHN, JOHN/NASHVILLE CHRISTIAN SCHOOL - SPORTS MEDICINE PROGRAM
KUHN, JOHN: XCELERATE LACROSSE - EVENT MEDICAL COVERAGE
Kuhn, Tarah /State of Tennessee Department of Children's Services/35910-01975
LANDACORP, INC.
Langefeld, Rory/Select Specialty Hospital/Select Medical/TRACHS/PEGS
LAUDERDALE COMMUNITY HOSPITAL: PEDS PATIENT TRANSFER
LAUGHLIN MEMORIAL HOSPITAL:PATIENT TRANSFER
LEBONHEUR CHILDREN'S HOSPITAL/OUTBOUND PEDS PATIENT TRANSFER
Lee, James/Brentwood High School and Middle School girls Lacrosse/Concussion Testing
Lee, James/Ravenwood Boys Lacrosse/Sports Medicine/Concussion Testing
Lee, James/Woodland Middle School Lacrosse/Sports Medicine/Concussion Testing
Lehmann, Christoph /American Academy of Pediatrics/6670-37355
Levis, William/Specialty Care
LEVY, MIA / MELANOMA RESEARCH FOUNDATION
Levy, Mia/CancerLinQ LLC
License Agreement: Vanderbilt University/Maury Regional Medical Center
LICENSE AGREEMENT: WESTERN PSYCHOLOGICAL SERVICES
LIFEFLIGHT: Belmont University
LIFEFLIGHT: FLIGHT VECTOR COMPUTER AIDED DISPATCH SOFTWARE
LIFEFLIGHT: LEBANON MUNICIPAL AIRPORT (HANGAR LEASE)
LifeFlight: Nashville Sounds
Lifeflight: Thunder on the Cumberland boat race

LIFEFLIGHT: TULLAHOMA MUNICIPAL AIRPORT AUTHORITY, INC. LEASE
LIFEFLIGHT; COMMISSION ON ACCREDITATION OF MEDICAL TRANSPORT SYSTEMS (CAMTS)
LINCOLN MEDICAL CENTER: PATIENT TRANSFER
LINCOLN REGIONAL HOSPITAL (now Lincoln Medical Center): PEDS PATIENT TRANSFER
LIPSCOMB UNIVERSITY: CLINCAL PHARMACY SERVICES
LIVINGSTON REGIONAL HOSPITAL: PATIENT TRANSFER
LIVINGSTON REGIONAL HOSPITAL: PEDS PATIENT TRANSFER
Lobo,Bob /Lipscomb University/Vanderbilt Poison Center Pharmacist
LOGAN MEMORIAL HOSPITAL: CRITICAL CARE PATIENT TRANSFER
LOGAN MEMORIAL: PATIENT TRANSFER
LONE STAR CONSULTING SERVICES, INC/D/B/A MES PEER REVIEW SERVICES
LOURDES HOSPITAL: PATIENT TRANSFER
LWALA COMMUNITY ALLIANCE
Macdonald, Robert /Laughlin Memorial Hospital
Macdonald, Robert /Mountain States Health Alliance
MacDonald, Robert/Riverview Regional Medical Center
MACON COUNTY GENERAL HOSPITAL: PEDS PATIENT TRANSFER
Mandato, Kathleen/Gratuitous Training Agreement with Army-Baylor Program
MARSHALL MEDICAL CENTER: PEDS PATIENT TRANSFER
MARTIN DIALYSIS CENTER / RCG: TRANSPLANT
Master Professional Services Agreement: Press Ganey Associates, Inc.
Master Service Agreement: Room in the Inn (RITI)
Master Services Agreement: Morris, John/Tennessee Health Management, Inc.
Master: Employee Service Agreement (ESA)-Interim Administrative Services for VUMC
Master: Employee Services Agreement (ESA)--Academic Services
MASTER: Employee Services Agreement (ESA)--Clinical Services
MASTER: Employee Services Agreement (ESA)-VU General Business Services
MASTER: Employee Services Agreement (ESA)--VUMC General Business Services
MASTER: IRBCHOICE Master Agreement (IMA) (formerly IRBshare)

MASTER: MASTER: DUKE UNIVERSITY/RAPID START/DUKE CLINICAL RESEARCH INSTITUTE (DCRI) (FEDERAL CONTRACTS)
MASTER: MILNE, GINGER/BIOGEN IDEC, INC.
Master: Poison Prevention Membership Agreement / Vanderbilt University Medical Center
Mathews, Carol/University of Florida/Core Lab Services
MAURY REGIONAL HOSPITAL: EKG & ECHO
MAURY REGIONAL HOSPITAL: LABORATORY SERVICES AGREEMENT
MAURY REGIONAL HOSPITAL: PATIENT TRANSFER
MAURY REGIONAL HOSPITAL: PEDS PATIENT TRANSFER
Maury Regional Hospital: Professional Service agreement (Cardiac Diagnostics)
MAURY REGIONAL HOSPITAL: PROFESSIONAL SERVICES AND NURSE PRACTITIONER STAFF AGREEMENT
Mccarver, Catherine/Society of Cardiovascular Patient Care, Inc.
McCaslin, Devin/MusiCares
McKenna, Samuel/Nashville Predators/Dental
MCKESSON INFORMATION SOLUTIONS, RELAY HEALTH - PATIENT COMPASS
MCKESSON INFORMATION SOLUTIONS/ RELAYHEALTH - REVRUNNER
McMinnville Dialysis Clinic
McQueen, Kathryn/G4 Alliance Global Campaign
MEADOWS, THE: EMERGENCY PATIENT TRANSFER
MED ACTION PLAN: BUSINESS ASSOCIATE AGREEMENT
MEDICAL CENTER AT BOWLING GREEN - PATIENT TRANSFER
MEDICAL CENTER AT SCOTTSVILLE: PATIENT TRANSFER
MEDICAL CENTER OF MANCHESTER: PEDS PATIENT TRANSFER
Medical Director Agreement: Walgreens Infusion and Respiratory Services, LLC
Medical Director Agreement: Baby + Company Nashville 1 LLC

Medical Director Agreement: VUMC/Maury Regional Medical Center (CARDIAC & PULMONARY REHAB SERVICES)

Medical Director Agreement: VUMC/Maury Regional Medical Center (CARDIAC CATHETERIZATION PROGRAM)
Medical Director Agreement: VUMC/Williamson Medical Center
MEHARRY MEDICAL COLLEGE: CARDIAC SERVICES
Meharry Medical College: Digital Library Interface and Server Use Agreement
MEHARRY: MASTER CONTRACT FOR PROFESSIONAL SERVICES
MEHARRY-VANDERBILT MEMORANDUM OF UNDERSTANDING (MOU)
MEMORANDUM OF UNDERSTANDING: Murdoch University, Western Australia,
METHODIST HEALTHCARE LEBONHEUR CHILDREN'S MEDICAL CENTER: PEDS PATIENT TRANSFER
Methodist Hospital Union County Kentucky: PATIENT TRANSFER AGREEMENT
METRO BOARD OF EDUCATION: MASTER AGREEMENT

Metro General Contract/ Ancillary Services Agreement (For Professional Services)
METRO GOVERNMENT: HOSPITAL DIVERSION POLICY MOU
METRO NASHVILLE GENERAL HOSPITAL: BURN PATIENT TRANSFER
METROPOLITAN BOARD OF EDUCATION: SPORTS MEDICINE SERVICES ANNEX A
METROPOLITAN BOARD OF EDUCATION: SPORTS MEDICINE SERVICES ANNEX ii
METROPOLITAN BOARD OF EDUCATION: SPORTS MEDICINE SERVICES:ANNEX RR
METROPOLITAN FIRE DEPT: EXPOSURE CONTROL CONSULTANT (RAFFANTI)
METROPOLITAN FIRE DEPT: MEDICAL CONSULTANT (SLOVIS)
Metropolitan Government of Nashville and Davidson County/Electric Power Board/800 MHZ SYSTEM
METROPOLITAN HOSPITAL AUTHORITY: FORENSIC EXAMINATION OF RAPE VICTIMS
Michaud, Nicole/WellStar
MILAN GENERAL HOSPITAL: PEDS PATIENT TRANSFER
Miller, Richard/ Westat Corporation/ University of Michigan
Miller, Richard/Sumner County Regional Medical Center/Co-Medical Director
Milne, Ginger/Alcresta, Inc./Eicosanoid Core
Milne, Ginger/University Of California, San Francisco/MTA Agreement
Milne, Ginger/Waters Technologies Corporation
Milne,Ginger /Parion Sciences, Inc./Research Core
Milne,Ginger /The Cooper Health System/CORE LAB
Mini-Master: Siemens Medical Solutions USA, Inc. (Software Support)
MISRA, SUMATHI / GENTIVA HOSPICE: ASSOCIATE MEDICAL DIRECTOR
Missouri State University: Child Life Internship
MNGH/MEHARRY MEDICAL COLLEGE: ALIYU, MUKTAR (Preceptor provided by VU)
MNGH/MEHARRY: AFFILIATION ADDENDUM (NEUROLOGY SERVICES PROVIDED BY MEHARRY)(Singh)
MNGH/MEHARRY: AFFILIATION ADDENDUM (RADIATION ONCOLOGY)
MNGH: MEHARRY AFFILIATION (NEUROLOGY SERVICES)(Services provided by Dr. Bangalore-Vittal)
Moore, James/Nolensville Recreation Center, Inc. Nolensville Football
MORRISTOWN-HAMBLEN HOSPITAL: PATIENT TRANSFER
Moses,Kelvin /Geisinger Clinic
MOSIER, JOYCE/MCKESSON HEALTH SOLUTIONS LLC/DHS, INTERQUAL
MOU - Country Music Association, Inc
MOU/BAA: American College of Radiology
MOU: Vanderbilt University Medical Center/ACGME
MOU: Cures Within Reach
MOU: Long, Jirong/University of Cambridge/Breast Cancer Association Consortium (BCAC)
MOU: Raffanti, Stephen/Montgomery Aids Outreach, Inc./Transforming Instructional Practice pilot program
MOU: TN Emergency Medical Services for Children (TN EMSC) and Comprehensive Regional Pediatric Centers (CRPC)
MOU: Vanderbilt/University of Nairobi, Kenya
MOU: Vanderbilt/University of Valencia
MOUNTAIN STATES HEALTH ALLIANCE: PATIENT TRANSFER
MSPH/Meharry Medical College: Affiliation Agreement
Murali Kolli/St. Thomas Heart/Integrated Cardiac Services
MUR-CI HOMES, INC: HABERMANN, RALF (NURSE PRACTITIONER)
MUR-CI HOMES, INC: MEDICAL DIRECTOR (HABERMANN)
MUSCULAR DYSTROPHY ASSOC INC (DONOFRIO, PETER)
MUSIC CITY CREMATORY SERVICES
MUTUAL AGREEMENT FOR EMERGENCY PATIENT TRANSFER
Mutual Collaboration Agreement: Vanderbilt University/Stratus Healthcare, LLC/Affiliation
MVCERP Mini-Grant Program: Joosten, Yvonne/Open Table Nashville, Inc. (HS2013-3325)
NASHVILLE FC YOUTH: ATHLETIC TRAINER

NASHVILLE GENERAL HOSPITAL (NGHM) @ MEHARRY: AFFILIATION ADDENDUM (RHEUMATOLOGY FACULTY SERVICES)

NASHVILLE GENERAL HOSPITAL (NGHM) @ MEHARRY: AFFILIATION ADDENDUM (UROLOGY FACULTY SERVICES)
NASHVILLE GENERAL HOSPITAL (NGHM) @ MEHARRY: MASTER AFFILIATION AGREEMENT
NASHVILLE INTERNATIONAL AIRPORT: MEDICAL CONSULTANT (SLOVIS)
NASHVILLE PREDATORS HEALTH CARE AGREEMENT
NASHVILLE REHABILITATION HOSPITAL: PATIENT TRANSFER
National HealthCare Corporation
National HealthCare Corporation - Master Services Agreement
NATIONAL MARROW DONOR PROGRAM (NMDP)/APHERESIS CENTER PARTICIPATION AGREEMENT (ACPA)
NATIONAL MARROW DONOR PROGRAM (NMDP)/COLLECTION CENTER PARTICIPATION AGREEMENT (CCPA)
NATIONAL MARROW DONOR PROGRAM (NMDP)/TRANSPLANT CENTER PARTICIPATION AGREEMENT(TCPA)
National Marrow Donor Program: Related Donor Services Agreement
Navitus Health Solutions: Pharmacy Management Services Agreement
NEONATAL UNIT/PROFESSIONAL SERVICES AGREEMENT: JACKSON-MADISON COUNTY GENERAL HOSPITAL

NEPD: Affiliation Agreement: University of Michigan-Flint School of Nursing
NEPD: Indiana State University School of Applied Medicine and Rehabilitation
NEPD: King University, School of Nursing
NEPD: PHYSICIAN ASSISTANT/Wake Forest University
NEPD: Samford University, School of Nursing
Neuss, Michael/Chapman Medical Quality, LLC
NEWTON DIALYSIS CENTER/RCG: TRANSPLANT
Newton, Mark/The ELMA Foundation
Non-Sponsored Billing Agreement: Bernard, Gordon/Peabody Research Institute (Bickman)/Vanderbilt University
Non-Sponsored Billing Agreement: Creech, Clarence/Vanderbilt University - Soper
Non-Sponsored Billing Agreement: Danforth, Tina/ Vanderbilt University
Non-Sponsored Billing Agreement: Manning, Henry/Vanderbilt University (TIPs)
Non-sponsored Billing Agreement: Pietenpol, Jennifer/ Vanderbilt University/ MLI student tuition
Non-Sponsored Billing Agreement: Rathmell, Jeffrey/ Vanderbilt University
Nooner, Kevin /Air Methods Corporation ADM/LEASE
Nooner, Kevin /Music City Eats EMS Agreement
Nooner, Kevin/Department of the Army/DACA27-9-16-022
NORTHCREST HOSPITAL: PATIENT TRANSFER AGREEMENT
NORTHCREST MEDICAL CENTER: PEDS PATIENT TRANSFER
NRA MANCHESTER, TENNESSEE, DBA MANCHESTER DIALYSIS CLINIC, LLC
NURSES FOR NEWBORNS: BUSINESS ASSOCIATE AGREEMENT (BAA)
Nyman, Jeffry/DCI Donor Services Tissue Bank
Obremskey, William/Johns Hopkins University (W81XWH0920108) (Bailment Agreement)
OKULICK, JOHN: ARTWORKS
OMNICELL INC./SOFTWARE LICENSE AGREEMENT
Oncology Care Model : Centers for Medicare and Medicaid Services
OPTION SCHOOLS: AUDITORY ORAL EDUCATION DATA REPOSITORY
OPTISTAT SERVICE AGREEMENT
ORAL FACIAL SURGERY CENTER: PATIENT TRANSFER
OUR KIDS, INC.: PROFESSIONAL SERVICES AGREEMENT (PEDIATRICS)
OUTBOUND PATIENT TRANSFER: BETHANY HEALTH CARE CENTER
OUTBOUND PATIENT TRANSFER: METROPOLITAN NASHVILLE GENERAL HOSPITAL
OUTBOUND PATIENT TRANSFER: TREVECCA HEALTH CARE CENTER
Parker, Teresa/URAC/Accreditation Agreement
Parkridge West Hospital (formerly GRANDVIEW MEDICAL CENTER): PATIENT TRANSFER
PARS:Cooper, William / North Mississippi Medical Center
PATIENT AND FAMILY CENTERED CARE: METROPOLITAN NASHVILLE SCHOOLS
Patient Transfer Agreement: Baby + Company Nashville 1 LLC
Patient Transfer Agreement: Baptist healthcare System, Inc/D/B/A Baptist Health Paducah
Patient Transfer Agreement: The Nextdoor, Inc.
Patient Transfer Agreement: Vanderbilt Imaging Services - One Hundred Oaks Imaging
Patient Transfer Agreement: Vanderbilt University Hospital/University Medical Center (Lebanon, TN)
PATIENT TRANSFER: TN Fertility Institute
Patient Transfer: Vanderebilt Gateway Cancer Center/ DBA Gateway-Vanderbilt Cancer Treatment Center: Gateway Health System
Patterson, Barron Lee/ American Academy of Pediatrics/
Patton,James A /Women Obstetrics and Gynecology
PCA SOUTHEAST/FERRELL, OLSON, MOORE, PEARSON, BRAMLETT, PLLC - (BOYD, ALAN, M.D.)
Peds Patient Transfer Agreement - Medical Center at Scottsville
Perinatal Affiliation: Jennie Stuart Level II NICU
Perrien, Daniel / inviCRO, LLC
Peters, Thomas/Sebastian Hospital, LLC
Peters, Thomas/Tennova Healthcare Lebanon
PETNET: PET COMPOUND DISTRIBUTION CENTER
Pharmacy Services Agreement: Vanderbilt Health and Williamson Medical Center Clinics and Services, LLC.
PHG TECHNOLOGIES SOFTWARE LICENSE AGREEMENT
Physician Assistant: Bosworth, Susan/ University of Tennessee Health Science Center
Physician Services Agreement: Ortho Surgery - Meharry Medical College
Physicians Regional Medical Center(Tennova Healthcare): Patient Transfer
Pietenpol, Jennifer/ VICC - Baptist Memorial Healthcare Corporation
Pietenpol, Jennifer/Baptist Memorial Health Care Corporation
Pioneer Community Hospital of Scott County: PATIENT TRANSFER AGREEMENT
PLANNED PARENTHOOD: PATIENT TRANSFER SPECIAL
POISON PREVENTION: BAPTIST MEMORIAL HEALTHCARE COPORATION
POISON PREVENTION: BLOUNT MEMORIAL HOSPITAL
POISON PREVENTION: CLAIBORNE COUNTY HOSPITAL

POISON PREVENTION: COOKEVILLE REGIONAL GENERAL HOSPITAL
POISON PREVENTION: CUMBERLAND MEDICAL CENTER
POISON PREVENTION: CUMBERLAND RIVER HOSPITAL
POISON PREVENTION: DECATUR COUNTY GENERAL HOSPITAL
POISON PREVENTION: Dekalb Community Hospital
POISON PREVENTION: DELTA MEDICAL CENTER
POISON PREVENTION: DENVER HEALTH AND HOSPITAL AUTHORITY
POISON PREVENTION: DYERSBURG REGIONAL MEDICAL CENTER
POISON PREVENTION: EAST TENNESSEE CHILDREN'S HOSPITAL
POISON PREVENTION: FORT SANDERS REGIONAL MEDICAL CENTER
POISON PREVENTION: GRANDVIEW MEDICAL CENTER
POISON PREVENTION: HAWKINS COUNTY MEMORIAL HOSPITAL
POISON PREVENTION: HAYWOOD PARK COMMUNITY HOSPITAL
POISON PREVENTION: HENRY COUNTY MEDICAL CENTER
POISON PREVENTION: HERITAGE MEDICAL CENTER
POISON PREVENTION: HOLSTON VALLEY MEDICAL CENTER
POISON PREVENTION: HOUSTON COUNTY COMMUNITY HOSPITAL
POISON PREVENTION: JACKSON-MADISON COUNTY GENERAL HOSPITAL DISTRICT
POISON PREVENTION: JAMESTOWN REGIONAL MEDICAL CENTER
POISON PREVENTION: JELLICO COMMUNITY HOSPITAL
POISON PREVENTION: LAKEWAY REGIONAL HOSPITAL
POISON PREVENTION: LAUGHLIN MEMORIAL HOSPITAL
POISON PREVENTION: LINCOLN MEDICAL CENTER
POISON PREVENTION: LIVINGSTON REGIONAL HOSPITAL
POISON PREVENTION: MACON COUNTY GENERAL HOSPITAL
POISON PREVENTION: MARSHALL MEDICAL CENTER
POISON PREVENTION: MAURY REGIONAL HOSPITAL
POISON PREVENTION: MCNAIRY HOSPITAL
POISON PREVENTION: MEMORIAL HEALTHCARE SYSTEM
POISON PREVENTION: MERCY HEALTH PARTNERS, INC.
POISON PREVENTION: METHODIST FAYETTE HOSPITAL
POISON PREVENTION: METHODIST HEALTHCARE - MEMPHIS HOSPITALS - SOUTH CAMPUS
POISON PREVENTION: METHODIST LEBONHEUR HEALTHCARE
POISON PREVENTION: METRO NASHVILLE GENERAL HOSPITAL
POISON PREVENTION: MORRISTOWN-HAMBLEN HEALTHCARE SYSTEME
POISON PREVENTION: MOUNTAIN STATES HEALTH ALLIANCE
POISON PREVENTION: NorthCrest Medical Center
POISON PREVENTION: PARKWEST MEDICAL CENTER
POISON PREVENTION: PERRY COMMUNITY HOSPITAL
POISON PREVENTION: RHEA MEDICAL CENTER
POISON PREVENTION: RIVER PARK HOSPITAL (McMINNVILLE)
POISON PREVENTION: RIVERVIEW REGIONAL MEDICAL CENTER
POISON PREVENTION: SAINT FRANCIS HOSPITAL-BARTLETT
POISON PREVENTION: SAINT FRANCIS HOSPITAL-MEMPHIS
POISON PREVENTION: Seger, Donna/Christina Hantsch Bardsley
POISON PREVENTION: Shelby County Health Care Corporation d/b/a Regional One Health and formerly d/b/a REGIONAL MEDICAL CENTER AT MEMPHIS
POISON PREVENTION: SOUTHERN TENNESSEE MEDICAL CENTER
POISON PREVENTION: Southern TN Regional Health System -Pulaski
POISON PREVENTION: ST. JUDE CHILDREN'S RESEARCH HOSPITAL
POISON PREVENTION: ST. THOMAS HOSPITAL
POISON PREVENTION: Starr Regional Medical Center
POISON PREVENTION: SUMNER REGIONAL HEALTH SYSTEMS INC
POISON PREVENTION: TAKOMA REGIONAL HOSPITAL
POISON PREVENTION: Tennova Healthcare- Cleveland
POISON PREVENTION: Tennova Healthcare Regional Jackson
POISON PREVENTION: Tennova Healthcare, Clarksville (GATEWAY MEDICAL CENTER)
POISON PREVENTION: Tennova Volunteer Hospital
POISON PREVENTION: THE UNIVERSITY OF TENNESSEE MEDICAL CENTER
POISON PREVENTION: THREE RIVERS COMMUNITY HOSPITAL
POISON PREVENTION: TRISTAR HEALTH SYSTEM, INC.
POISON PREVENTION: TROUSDALE MEDICAL CENTER
POISON PREVENTION: TULLAHOMA HMA, LLC. D/B/A HARTON REGIONAL MEDICAL CENTER
POISON PREVENTION: UNICOI COUNTY MEMORIAL HOSPITAL
POISON PREVENTION: UNITED REGIONAL MEDICAL CENTER
POISON PREVENTION: UNIVERSITY MEDICAL CENTER

POISON PREVENTION: WAYNE MEDICAL CENTER
POISON PREVENTION: WHITE COUNTY HOSPITAL
POISON PREVENTION: WILLIAMSON MEDICAL CENTER
POISON PREVENTION: WOODS MEMORIAL HOSPITAL DISTRICT
POISON PREVENTION:SOUTHERN TN REGIONAL HEALTH SYSTEM - LAWRENCEBURG
POISON PREVENTION:State of Tennessee Department of Health/GR-12-37671-01/Bioterror
Porter Whitener, Melissa/The Wright Institute Graduate Counseling Programs- Affiliation Agreement
Posch, David/Association of American Medical Colleges
Posch, David/Association of American Medical Colleges/(AAMC)/(CMS)
POST OFFICE AGREEMENT: VUMC OPERATION
Poulose, Benjamin/American Hernia Society
POULOSE, BENJAMIN/STICHTING EUROQUOL GROUP
Prof. Service agreement - Gen. Counsel/Northcrest Medical Center
PROFESSIONAL SERVICE AGREEMENT: Special Olympics Tennessee
Professional Service Agreement: VUMC/Marriott International, Inc (Marriott Primary Care Clinic)
Professional Service Agreement: Parkridge Neonatal Ophthalmology Coverage
Professional Services - Levis, William/Dept. of Veterans Affairs
Professional Services Agreement - Northcrest Medical Center (Stroke consultations via Telemedicine)
Professional Services Agreement - Sumner Regional Medical Center/VUMC - Stroke Neurology
Professional Services Agreement: Baby + Company Nashville 1 LLC
Professional Services Agreement: Castellanos, Emily/Meharry Medical College (Oncology)
Professional Services Agreement: EEG Services - Williamson Medical Center
Professional Services Agreement: Jones, Pamela/Cole Family Practice
Professional Services Agreement: King, Lloyd/David Horowitz, M.D.
Professional Services Agreement: Macdonald, Robert/Blount Memorial Hospital

Professional Services Agreement: Macdonald, Robert/Cookeville Regional Medical Center (tele-neurology consultation)

Professional Services Agreement: Macdonald, Robert/Livingston Regional Hospital (teleneurology consultation)
Professional Services Agreement: Newhouse, Paul/Birchwood Terrace Healthcare
Professional Services Agreement: PM&R Services/Meharry Medical College
Professional Services Agreement: Vanderbilt/Park Center, Inc.
Professional Services Agreement: VMG/Williamson Medical Center (EKG INTERPRETATION)
Professional Services Agreement: VUMC/University HealthSystem Consortium

PROFESSIONAL SERVICES AGREEMENT:GEORGETOWN PUBLIC HOSPITAL CORPORATION (GUYANA, SOUTH AMERICA)
Professional Services Agreement:VUMC/Williamson Medical Center (stroke)
Professional Services Vanderbilt Resident/Clinical Fellow Backup Coverage - The Women's Center
PROFESSIONAL SERVICES: Abe's Garden Consultant Agreement
Professional Services: Bibeau, Deborah/CardioLabs
Professional Services: Dugan,Laura /Abes Garden
Professional Services: Micheel, Christine/American Association for Cancer Research/
Professional Services: Williams, Christopher/Chamber Theatre
PROFESSIONAL SERVICES:TENNESSEE WOMEN'S CARE
PROVIDER ENROLLMENT AGREEMENT: VANDERBILT IMAGING SERVICES LLC, DBA HILLSBORO IMAGING
PROVIDER ENROLLMENT AGREEMENT: WILLIAMSON IMAGING LLC
PROVIDER SUPPORT SERVICES: PRACTITIONER HOSPITAL DATA BANK
QSOURCE PROVIDER # 440039 (MOU)
Quality & Patient Safety:Tennessee Healthcare Education and Research Foundation Collaboration
R4, LLC / SOFTWARE LICENSE AGREEMENT
Raffanti, Stephen/Cornea Consultants of Nashville
Raffanti, Stephen/Diagnostic Health Centers of Tennessee
Raffanti, Stephen/Gold Skin Care
Raffanti, Stephen/Nashville Surgical Associates
Raffanti, Stephen/SE AETC/Meharry/HRSA/U1OHA29297
Raffanti, Stephen/SE AETC/U1OHA29297/HRSA/Duke
Raffanti, Stephen/SE AETC/U1OHA29297/HRSA/Montgomery
Raffanti, Stephen/SE AETC/U1OHA29297/HRSA/Morehouse School of Medicine
Raffanti, Stephen/SE AETC/U1OHA29297/HRSA/UFL at Gainesville
Raffanti, Stephen/SE AETC/U1OHA29297/HRSA/UNC at Chapel Hill
Raffanti, Stephen/SE AETC/U1OHA29297/HRSA/Univ of Mississippi
Raffanti, Stephen/SE AETC/U1OHA29297/HRSA/University of Kentucky
Raffanti, Stephen/SE AETC/U1OHA29297/HRSA/USC
Raffanti, Stephen/VUMC One Hundred Oaks Imaging
Rawlings, Keith / Deborah Edmonson
REAL TIME NEUROMONITORING ASSOCIATES, PLLC/PROFESSIONAL SERVICES AGREEMENT
REGION III GIRLS SOCCER TOURNAMENT - ATHLETIC TRAINER

REGIONAL HOSPITAL OF JACKSON: PATIENT TRANSFER
RENAL CARE GROUP: MCMINNVILLE, TN / HEMODIALYSIS & TRANSPLANT AGREEMENT
RENAL CARE GROUP: WINCHESTER, TN / HEMODIALYSIS & TRANSPLANT AGREEMENT
Research Core: Sutcliffe, Cara/University of North Carolina at Chapel Hill
Research Match: University of Texas at Arlington
ResearchMatch Agreement : Harvard
ResearchMatch Agreement: Group Health Research Institute/UNIVERSITY OF WASHINGTON (Kaiser Permanente)
ResearchMatch Agreement: Laureate Institute for Brain Research
ResearchMatch Agreement: University of Miami
ResearchMatch Master: University of Dallas at Texas
ResearchMatch Master:American University
ResearchMatch/Ohio University
ResearchMatch: Advocate Health and Hospital Corporation
ResearchMatch: Albany Medical College
ResearchMatch: Arizona State University
ResearchMatch: Brigham and Womens Hospital Inc.
ResearchMatch: Fordham University
ResearchMatch: Kessler Foundation
ResearchMatch: La Jolla Institute for Allergy and Immunology
ResearchMatch: Louis Stokes Cleveland VA Medical Center
ResearchMatch: MASTER Institutional Registry Agreement for Academic Medical Centers, Rice University
ResearchMatch: MIRA Idaho State University
ResearchMatch: MIRA Illinois Institute of Technology
ResearchMatch: MIRA Mount Carmel Health System
ResearchMatch: Philadelphia College of Osteopathic Medicine
ResearchMatch: Princeton University
ResearchMatch: Regents of the University of California
ResearchMatch: Rush University Medical Center
ResearchMatch: Stony Brook University
ResearchMatch: SUNY Optometry
ResearchMatch: Texas Heart Institute
ResearchMatch: The General Hospital Corporation D/B/A Massachusetts General Hospital
ResearchMatch: The Medical College of Wisconsin
ResearchMatch: The Salk Institute
ResearchMatch: Touro University, California
ResearchMatch: University of Alabama
ResearchMatch: University of Buffalo
ResearchMatch: University of Connecticut Health
ResearchMatch: University of Idaho
ResearchMatch: University of Illinois at Chicago
ResearchMatch: University of Kanas Medical Center
ResearchMatch: University of Southern California
ResearchMatch: WellSpan Health
RICHARDS, WILLIAM/ACS BARIATRIC SURGERY CENTER PARTICIPATION AGREEMENT
RICKETT, TODD/ASISU TECHNOLOGIES
RIVER PARK HOSPITAL: PATIENT TRANSFER AGREEMENT
RIVERVIEW REGIONAL MEDICAL CENTER: PEDS PATIENT TRANSFER
ROANE MEDICAL CENTER: PATIENT TRANSFER
ROSATO FRANK/ AMBULATORY CENTER OF COOL SPRINGS
ROSCH VISIONARY SYSTEMS, INC SOFTWARE LICENSE AGREEMENT
Rothman, Russell/Baptist Clinical Research Institute, Inc/CMS331461
Rothman, Russell/Meharry Medical College/PCORI
Rothman, Russell/VHAN/1L1CMS331461/Transformation Network
Rothman,Russell L. /University Of North Carolina At Chapel Hill/CDRN-1306-04869)
RUFFING, LEE ANN/SOUTHEASTERN REGIONAL PEDIATRIC DISASTER SURGE RESPONSE NETWORK
Russ, Stephan/National Park Service/EMS Agreement/SER-NATR
Russell, William/Abbott
Russell, William/Roche Diagnostics Corporation
SAFE KIDS CUMBERLAND VALLEY: LEAD INSTITUTION AGREEMENT WITH SAFE KIDS USA
SAINT THOMAS HICKMAN HOSPITAL: PEDS PATIENT TRANSFER
SAINT THOMAS MIDTOWN HOSPITAL: PATIENT TRANSFER (TRANSPLANT) NEONATES & PEDS
Saint Thomas River Park Hospital: PEDS PATIENT TRANSFER
SALEM NURSING HOME: PATIENT TRANSFER
Sandberg, Warren/Mission Hospital Interim Chief of Anesthesiology - PSA
Sandberg, Warren/Tennessee Fertility Associates Anesthesia (PSA)
Savona, Michael / Bio-Reference Laboratories, Inc. / Astex Pharmaceuticals

Schaffner, William/Metropolitan Government and Nashville Davidson County
Schwartz, David/Takeda Global Research & Development Center, Inc. (Consulting Agreement)
SEARCH AMERICA
Select Specialty Hospital: Patient Transfer Agreement
SELLARS FUNERAL HOME
Service Agreement: Nooner, Keven/Live Nation Worldwide
Services Agreement: VUMC (Dermatology)/PCA Southeast of Columbia, Inc.
Services Agreement: West Meade Place, LLP
Session, Donna/Vivere Health Tennessee Holding/PSA
Shelton, Amy/Vanderbilt University
Shoemaker,Ashley /Jaeb Center for Health Research/
SHU, XIAO-OU/SHANGHAI CHANGNING DISTRICT HEALTH BUREAU/SHANGHAI CANCER INSTITUTE
SHU, XIAO-OU/SHANGHAI INSTITUTE OF PREVENTIVE MEDICINE
Signature Consulting Services: PATIENT TRANSFER AGREEMENT
Sika, Mohammed/ Merck Sharp & Dohme Corp.
Sipes, Marcy/Helen Duhon and Associates
Sipes,Marcy/ Sumner County Board of Education
SKYRIDGE MEDICAL CENTER (now Tennova Healthcare - Cleveland): PATIENT TRANSFER
Slayton, Jenny/ImproveCare Now
Smart IRB Exchange Portal Access Agreement: Medical University of South Carolina
Smart IRB Exchange Portal Access Agreement: Vanderbilt University Medical Center
SMART IRB Exchange: Duke University Health Systems
Smart IRB Exchange: Johns Hopkins University
Smart IRB Exchange: Tufts Medical Center, Inc.
Smart IRB: The Rockefeller University
Smart IRB: University of Arkansas System
Smart IRB: Wake Forest University Health Sciences
Smith County Schools: Mama Lere Hearing School
Smith, Barbara/Progress, Inc. (Employee Lease Agreement)
Smith, Melissa/American College of Surgeons National Trauma Data Bank (ACS NTDB)
SOCIETY OF THORACIC SURGEONS: Congenital Heart Surgery Database
SOUTHERN HILLS MEDICAL CENTER: PEDS PATIENT TRANSFER
SOUTHERN TENNESSEE MEDICAL CENTER: PATIENT TRANSFER
SPINDLER, KURT/ALLTRAX TIMING
Spires, Steven/HEALTHSOUTH Corporation/Anti-Microbial Stewardship Consulting
SPORTS MEDICINE: Kyodo Tokyo, Inc
Sports Medicine: St. Cecilia Academy
Sports Medicine: Walter, Kim/No Excuse Lacrosse
SPORTS MEDICINE:Nashville Pro-Am Basketball League
ST THOMAS STONES RIVER HOSPITAL: PEDS PATIENT TRANSFER
ST. MARY'S MEDICAL CENTER: BURN PATIENT TRANSFER
ST. MARY'S MEDICAL CENTER: PEDS PATIENT TRANSFER
ST. THOMAS CAMPUS SURGICARE, L.P.
St. Thomas DeKalb Hospital: PEDS PATIENT TRANSFER
ST. THOMAS HOSPITAL: PEDS PATIENT TRANSFER
St. Thomas of Rutherford County: PATIENT TRANSFER
ST. THOMAS SURGICARE: PEDS PATIENT TRANSFER
St. Thomas West Hospital: PATIENT TRANSFER
ST. THOMAS: BREAST CANCER STUDY
ST. THOMAS: BURN PATIENT TRANSFER AGREEMENT
STARR REGIONAL MEDICAL CENTER (formerly ATHENS REGIONAL MEDICAL CENTER): PATIENT TRANSFER
STATE OF TN: Juarez, Adam/Vanderbilt University/Tennessee Department of Education/33136-00516

STATE OF TN: Shepherd, Bryan/State of Tennessee, Department of Health/Centers For Disease Control and Prevention (CDC)
Steaban, Robin /Society of Thoracic Surgeons (STS)and American College of Cardiology Foundation
Stead, William/Cox HMS, Inc/Master Collaboration Agreement
STEMSOFT SOFTWARE, INC. / SOFTWARE LICENSE AGREEMENT
Sten Vermund/MOI UNIVERSITY FACULTY OF HEALTH SCIENCES/5R25TW009337-04
Stephens, Amie/Healthy Communities Institute
STERILIZATION SERVICE: VANDERBILT COOL SPRINGS / COOL SPRINGS SURGERY CENTER
Sterling, Timothy; The Aurum Institute; KNCV Tuberculosis Foundation
STONECREST MEDICAL CENTER: PEDIATRIC PATIENT TRANSFER
Sullivan, Jaron /Sumner Regional Medical Center/Medical Director Services
Sullivan, Jaron/Sumner Regional Medical Center
SUMMIT MEDICAL CENTER: PATIENT TRANSFER
SUMMIT MEDICAL CENTER: PEDS PATIENT TRANSFER

SUMNER DIALYSIS CENTER: TRANSPLANT
SUMNER REGIONAL DIALYSIS CENTER: MEDICAL DIRECTOR
SUMNER REGIONAL HEALTH SYSTEMS: PEDS PATIENT TRANSFER
SUMNER REGIONAL MEDICAL CENTER, LLC:PEDIATRIC TRAINING AGREEMENT
SUSAN G. KOMEN RACE FOR THE CURE SPONSORSHIP
Sutcliffe, Cara /Wake Forest/Vantage: Research Core
Sutcliffe, Cara/Research Core/University of North Carolina-Chapel Hill
Sutcliffe, Cara/VANTAGE SLA/U of Maryland/
Sweeting, Raeshell/Meharry Medical College
Swygert, Kristin Archer/Neuropoint Alliance, Inc. (N2QOD)
T.J. SAMSON HOSPITAL: PATIENT TRANSFER
TAKOMA REGIONAL HOSPITAL: PATIENT TRANSFER
Taylor, Monique/ Food Allergy Anaphalaxis Network (FAAN)
TEIS: STATE OF TN /VANDERBILT
TELE-TRACKING (PITTSBURG): LICENSE AGREEMENT
TENNESSEE DEPARTMENT OF HEALTH; TENNESSEE IMMUNIZATION REGISTRY; TRADING PARTNER AGREEMENT (TPA # PPV000001)
TENNESSEE DISABILITY COALITION(TN/HRSA-GRANT H21MC06739)
TENNESSEE DONOR SERVICE: ORGAN DONOR
TENNESSEE HOSPITAL EDUCATION AND RESEARCH FOUNDATION;THA; TCPS INFECTION COLLABORATIVE
TENNESSEE KIDNEY CENTER OF HIGHWAY 58: DIALYSIS
TENNESSEE POISON CENTER: HARDIN MEDICAL CENTER
TENNESSEE POISON CENTER: MCKENZIE REGIONAL HOSPITAL
Tennessee Technological University/Internship in Child Life

TENNOVA HEALTHCARE - HARTON (Formerly HARTON REGIONAL MEDICAL CENTER): PEDS PATIENT TRANSFER
TENNOVA HEALTHCARE: LABORATORY SERVICES AGREEMENT
Tharpe, Anne/State of Tennessee/Dept. of Health (34347-51716)
THE BRENTWOOD BLAZE/ SPORTS MEDICINE PROGRAM
THE CHILDREN'S CLINIC, P.C. EKG (GRAHAM)
THE MEDICAL CENTER: PATIENT TRANSFER
THE METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY BOARD OF PUBLIC EDUCATION: H & S/Mama Lere Hearing School
THE MITRE CORPORATION/LIMITED USE LICENSE AGREEMENT
The University of Tennessee Medical Center, Knoxville, Tennessee/Pediatric Patient Transfer
Thompson, Ivana/Planned Parenthood/PSA
Thompson, Reid; Veterans Affairs (VA) Tennessee Valley Healthcare System
Thomsen, Isaac/SUNY Update Medical University Hospital, Downtown Campus
THREE RIVERS HOSPITAL: PEDS PATIENT TRANSFER
TN VALLEY DIALYSIS CENTER, LLC/KIDNEY TRANSPLANT AFFILIATION AGREEMENT
TN/DCS: GRACEY, KATHY / CHILD & ADOLESCENT NEEDS AND STRENGTHS
TN/DCS: WOODLAND HILLS PSYCHIATRY INDIVIDUAL& GROUP THERAPY (Agency Tracking #35910-62004)
TN/E: CDC - TRIAD DOE AUTISM CONTRACT GR-02-14366 (JUAREZ)
TN/F&A: BUREAU OF TENNCARE - NURSING HOME (RAY)
TN/F&A: BUREAU OF TENNCARE - PERINATAL NEWBORN & OB/GYN GR-06-16956
TN/H: CENTERS FOR DISEASE CONTROL AND PREVENTION - CHEMPACK
TN/H: GENETICS (PHILLIPS) (404-590-5423 / 33)
TN/H: HEMOPHILIA GR-02-14109
TN/H: POISON PREVENTION: TENNESSEE POISON CENTER - (SEGER)(ARRA 2009)
TN/HS DIVISION OF REHABILITATION: VOCATIONAL REHABILITATION SERVICES, EDISON ID #51053
TN/HS- Patient and Family Engagement/Progress, Inc./DIDD
TN/HS: Patient and Family Egagement - Career Training & Employment Program - MOU
TN/MHSAS: FORENSIC & JUVENILE COURT SERVICE
TN/MHSAS: TENNESSEE INTEGRATED COURT SCREENING AND REFERRAL PROJECT
TN/MR: CLOVER BOTTOM - NEUROLOGY (CHARLES)
TOTAL RENAL CARE D/B/A GREER KIDNEY CENTER: TRANSPLANT
TOTAL RENAL CARE D/B/A UPSTATE DIALYSIS CENTER INC: TRANSPLANT
Trainor, Regina / Asurion
TRANS UNION: TRACE, RETRACT, AND IDSEARCH
Transfer Agreement: Hatch, Hurst/Baptist Memorial Healthcare Corporation
Transfer Agreement: Hatch, Hurst/Sumner Regional Medical Center
TREVECCA HEALTH CARE CENTER: OUTPATIENT DIALYSIS
TREVECCA HEALTH CARE CENTER: PATIENT TRANSFER AGREEMENT
TREVECCA HEALTHCARE CENTER: MEDICAL DIRECTOR

TRIAD: Juarez,Adam /Tennessee Department of Education/Family Education and Consultation Services, West TN
TRIAD: TEIS Direct Family Education Services

TRIGG COUNTY HOSPITAL: PATIENT TRANSFER
TriStar Horizon Medical Center: Patient Transfer Agreement
TriStar StoneCrest Medical Center: Patient Transfer Agreement
Tristar: Hendersonville Medical Center Patient Transfer Agreement
TROUSDALE MEDICAL CENTER: PEDS PATIENT TRANSFER
True, Jarrod/University of Wisconsin-Madison/Research Core
U.S. AIR AMBULANCE: PEDS PATIENT TRANSFER
UNION CITY DIALYSIS CENTER / RCG: TRANSPLANT
UNITED NEIGHBORHOOD HEALTH SERVICES / PROFESSIONAL SERVICES AGREEMENT
UNITED REGIONAL MEDICAL CENTER: PATIENT TRANSFER
UNIVERSITY MEDICAL CENTER - LEBANON: PEDS PATIENT TRANSFER
UNIVERSITY OF KENTUCKY / CHANDLER MEDICAL CENTER: PATIENT TRANSFER
UNIVERSITY OF TENNESSEE - MEMPHIS: STUDENT HEALTH SERVICES/PHARMACY STUDENT ROTATION
UNIVERSITY OF TENNESSEE MEDICAL CENTER AT KNOXVILLE: PATIENT TRANSFER
University of Tennessee, Knoxville (Core Lab)
UNIVERSITY SCHOOL OF NASHVILLE: SPORTS MEDICINE SERVICES
Unni, Purnima/Maury Regional Hospital
UROLOGY SURGERY CENTER, LP: PATIENT TRANSFER
US AIR FORCE: Endourology Fellowship Program
UT MEDICAL CENTER AT KNOXVILLE: BURN PATIENT TRANSFER
VA IPA: BULUS, NADA (VA Funded Project--Zent)
VA IPA: Lapierre, Lynne (Merit Review Grant--Goldenring)
VA/DAC,WALLACE, JEANNE (0968)
VA/IPA SCHNELLE, JOHN (GRECC--Dittus)
VA/IPA: Chen, Chiu-Lan (Heidi) (VA Merit Review Grant--Massion)
VA/IPA: Guo, Yan (VA Merit Review Grant--Smith)
VA/IPA: Moiseev, Daniel (VA Merit Review Grant--Li)
VA/IPA: Westerman, Dax (VA DaVinci Grant--Matheny)
VA/IPA: Xu, Jie (Human Factors Engineering Program--Weinger)
VA/IPA: Afzal, Aqeela (VA Merit Review Grant--Haase)
VA/IPA: Allaman, Margaret (VA Career Development Grant--Coburn)
VA/IPA: ALLAMAN, MARGARET (Wilson VA Merit Review Grant)
VA/IPA: AMIE STEPHENS (VA Grants for GRECC Staff)
VA/IPA: Anders, Shilo (Human Factors Engineering and Knowledge Based Systems--Weinger)
VA/IPA: Arpag, Sezgi (VA Merit Review Grant Award--Li)
VA/IPA: Asim, Mohammad (VA Merit Review--Wilson)
VA/IPA: Austin, Paula (VA Merit Review Grant--Osteen)
VA/IPA: Banks, Ashley (VA Merit Review Grant--Niswender)
VA/IPA: Barbera, Jodie (VA VHS Geriatric Scholars Program--Calloway-Lane)
VA/IPA: Barron, Bridgette (VA Merit Review Grant--Kendall)
VA/IPA: Barry, Daniel (VA Career Development Grant--Coburn)
VA/IPA: BARRY, DANIEL (VA Merit Review Grant--Wilson)
VA/IPA: Beck, Cole (CSRD Grant--Roumie)
VA/IPA: Beckerman, Thomas (VA Merit Review Grant--Wilson)
VA/IPA: Beebe, Russell (Knowledge Based Systems-KBS and HFE--Weinger--Brown)
VA/IPA: Beebe, Russell (VA HSR&D-IIR--Matheny--Interaction Designer)
VA/IPA: Bogatcheva, Galina T.
VA/IPA: Bonami, Rachel--(VA Merit Review Grant--Kendall)
VA/IPA: Booker, Cindy (VA CSR&D Merit Review Grant--Hung)
VA/IPA: Booker, Cindy (VA Merit Review Grant-Ikizler)
VA/IPA: BORZA, CORINA (Merit Review Award--Pozzi)
VA/IPA: Bruner-Tran, Kaylon (VA Merit Review Grant-Osteen)
VA/IPA: Buford, Meagan (VA CSR&D Grant--Blackford)
VA/IPA: Burns, William (VA Merit Review Grant--Skaar)
VA/IPA: Byerly, Susan (VA Career Development Grant--Mixon)
VA/IPA: Byerly, Susan (VA CSR&D Merit Review Grant--Hung)
VA/IPA: CAI, YING (Merit Review--Brandt)
VA/IPA: Cao, Aize (VA GRECC (DaVinci)--Matheny)
VA/IPA: Cao, Aize (VA HSR&D Grant--Matheny)
VA/IPA: Carboneau, Bethany (VA Merit Award--Gannon)
VA/IPA: Chen, Chiu-Lan (Heidi)(VA Merit Review Grant El-Rifai)
VA/IPA: Chen, Chiu-Lan (Heidi)(VA Merit Review Grant--Zinkel)
VA/IPA: Chen, Chiu-Lan (Heidi)/HSR&D Career Development Grant (Grogan)
VA/IPA: Chen, Guanhua (HSR&D-IIR--Matheny)
VA/IPA: Chen, Guanhua (VA & MTRI Grants--Matheny)
VA/IPA: Chen, Zheng (VA Merit Review Grant--El-Rifai)

VA/IPA: Cheng, Huifang (VA Merit Review Program--Harris)
VA/IPA: Choi, Eunyoung (VA Merit Review Grant--Goldenring)
VA/IPA: Clagett, Adrienne (VA CSR&D Merit Review Grant--Ikizler)
VA/IPA: Clagett, Adrienne (VA CSR&D Merit Review--Hung)
VA/IPA: DAI, CHUNHUA (Merit Review Grant ob/ob and db/db mice--Powers)
VA/IPA: Davidoff, Olena (VA Merit Review Grant-Haase)
VA/IPA: Davision, Coda (VA CRECC (DaVinci) Grant--Matheny)
VA/IPA: Davison, Coda (VA HSR&D Grant--Matheny)
VA/IPA: Denton, Jason (VA GRECC (DaVinci)--Matheny)
VA/IPA: Denton, Jason (VA HSR&D & MTRI--Matheny)
VA/IPA: Denton, Jason (VA HSR&D Grant--Siew)
VA/IPA: Deppen Stephen (HSR&D Grant--Matheny)
VA/IPA: Ding, Tianbing (VA Merit Review Grant--Osteen)
VA/IPA: Dixon, Beverly (VA Merit Review--Algood)
VA/IPA: Du, Liping (VA Career Development--Arnold)
VA/IPA: Dunn, Jennifer (VA Merit Review Grant--Gannon)
VA/IPA: Dupont, William (VA Merit Review)
VA/IPA: Edwards, Todd (VA MVP-MIllion Veterans Program-Beta Grant Award--Hung)
VA/IPA: Elias, Bertha (VA Merit Review Grant--Zent)
VA/IPA: Elkins, Cody (VA Merit Review Grant--Major)
VA/IPA: Ellis, Charles (VA Merit Review Grant--Hung)
VA/IPA: FitzHenry, Fern (VA HSR&D and MTRI Grants--Matheny)
VA/IPA: Fox, Andrew (AAALA, IACUC and VA Regulations)
VA/IPA: France, Daniel (Knowledge Base Systems and Human Factors Engineer)
VA/IPA: Gardner, Hannah (VA CSR&D Grant--Blackford)
VA/IPA: Gentry, Nancy (HRS&D and MTRI Grant--Matheny)
VA/IPA: Goldstein, Anna (VA Merit Review Grant--Goldenring)
VA/IPA: Goleniewska, Alina (VA Merit Review Grant--Peebles)
VA/IPA: GREEVY, ROBERT (CSR&D Grant--Roumie)
VA/IPA: Greevy, Robert (VA HSR&D Grant Siew)
VA/IPA: Gujar, Karuna (MTRI Grant --Matheny)
VA/IPA: Gujar, Karuna (VA GRECC DaVinci--Matheny)
VA/IPA: Gujar, Karuna (VA HSR&D Grant --Matheny)
VA/IPA: Hackstadt, Amber (VA CSR&D--Roumie)
VA/IPA: Hanchrow, Elizabeth (VA GRECC (DaVinci)--Matheny)
VA/IPA: Hassan, Yuliya (VA Merit Review Grant--Zinkel)
VA/IPA: Holm, Erin (HSR&D Merit Review Grant--Rosen)
VA/IPA: Horner, Jeffrey (VA HSR&D--Siew)
VA/IPA: Hu, Bo (VA Merit Review Grant--Li)
VA/IPA: Hu,Tian-Ling
VA/IPA: HWANG, YOONHA (VA Merit Review Grant--Chen)
VA/IPA: Jacobsen, Julia Mary Lousie (VA HSR&D Merit Review Grant--Rosen West Haven)
VA/IPA: Jiang, Chun (Clinical Science Merit Review Grant--Hung)
VA/IPA: Karwandyar, Ayub (VA Merit Review Grant--Lawson)
VA/IPA: Keating, Cody (VA Merit Review Grant--Williams)
VA/IPA: Kesler, Jaclyn (VA Merit Review Grant--Hung)
VA/IPA: Kiehl, Amy (VA Collaborative HSR&D Merit Review Grant--Rosen-West Haven)
VA/IPA: King, McKenzie (VA Merit Review Grant--Young)
VA/IPA: Kobayaski, Hanako (VA Merit Review Grant--Haase)
VA/IPA: Korolkova, Olga (Merit Review Grant--Zaika)
VA/IPA: Kozunda (Shostak), Alena (Merit Review Grant ob/ob and db/db mice--Powers)
VA/IPA: Kroh, Heather (VA Merit Review Grant--Lacy)
VA/IPA: Kumar, Amrendra (VA Merit Review Grant--Joyce)
VA/IPA: LI BIN (VA Merit Review Grant--Young)
VA/IPA: Lietman, Caressa (VA Merit Review Grant--Young)
VA/IPA: LOH, JOHN (Merit Review Grant--Cover)
VA/IPA: Longmire, Stephanie (MTRI Grant--Roumie)
VA/IPA: Lucianno, Emily (VA HSR&D Grant--Speroff and Jackson)
VA/IPA: Luo, Wentian (VA Merit Review Grant--Wilson)
VA/IPA: Mathe, Janos (Knowledged Based System)
VA/IPA: Merkel, Alyssa
VA/IPA: Minter, Freneka (VA HSR&D and MTRI Grants--Matheny)
VA/IPA: Mittal, Mukul (VA Merit Award--Williams)
VA/IPA: Moore, Jared L. (VA Merit Review Grant--Major)
VA/IPA: Morrell, Madeline E. (VA Collaborative HSR&D Merit Review Grant--Rosen--West Haven)
VA/IPA: Pasek, Raymond (VA Merit Review Grant--Gannon)

VA/IPA: Perkins, Amy (HSR &D Grant--Matheny)
VA/IPA: Perkins, Amy (VA Merit Grant --Siew)
VA/IPA: Pham, Wellington (VA Merit Review Grant-Joyce)
VA/IPA: Piazuelo, Maria (Merit Review Grant--El-Rifai)
VA/IPA: Poffenberger, Greg (VA Merit Review Grant--breed and mice care--Powers)
VA/IPA: Polosukhin, Vasiliy (VA Merit Review Grant)
VA/IPA: Porier, Paula R.
VA/IPA: Potter, Melissa (HSR&D Grant-Grogan)
VA/IPA: Radhika, Aramandla (VA Merit Review Grant--Powers)
VA/IPA: Reale, Carrie (Human Factors Engineering and Knowledge Based Systems--Weinger)
VA/IPA: Saraswati, Sarika (VA Merit Review Grant--Young)
VA/IPA: Sha, Feng (VA Merit Review Grant--Ikizler)
VA/IPA: Shang, Michelle (VA CSR&D Merit Review Grant--Hung)
VA/IPA: Sherrill, Taylor P. (VA Merit Review Grant Award--Blackwell)
VA/IPA: Shi, Qiong (VA Merit Review Award--Zinkel)
VA/IPA: Simmons, Megan (VA Merit Review Grant--Li)
VA/IPA: Slagle, Jason (Human Factors Engineering and Knowledge Based System--Weinger)
VA/IPA: Slagle, Jason M (VA HSR&D IIR Grant--Matheny)
VA/IPA: SONG, WENQIANG (VA Merit Review Grant--Chen)
VA/IPA: Soutto, Mohammed (TFFI)
VA/IPA: SU, YAN (VA Merit Review--Pozzi)
VA/IPA: SULLIVAN, CLAIRE (Office of the Rural Health Geriatric Scholars Program)
VA/IPA: Tanjore, Harikrishna (VA Merit Review Grant--Lawson)
VA/IPA: Torstenson, Eric (Software Developer-VA Millon Veterans Program (MVP)--Hung)
VA/IPA: Varner, Jennifer (VA CSR&D Merit Review Grant--Ikizler)
VA/IPA: Veach, Ruth Ann (VA Merit Review Grant--Wilson)
VA/IPA: Velez-Edwards, Digna (VA MVP Beta Grant--Hung)
VA/IPA: Vincz, Andrew (VA Merit Review Grant Award--Hung)
VA/IPA: Weitkamp, Asli (Knowledge Base System)
VA/IPA: Welch, Richard (VA Career Development Grant--Woodard)
VA/IPA: Welch, Richard (VA Merit Review--Wilson)
VA/IPA: Westerman, Dax (HSR&D-IIR-Reeves)
VA/IPA: Westerman, Dax (VA HSR&D and MTRI)
VA/IPA: Westerman, DAX (VA Mental Health NLP Grant--Gobbel)
VA/IPA: Wharton, Jennifer (Sprint--Roumie)
VA/IPA: William, Felisha (VA Career Development Grant--Woodard)
VA/IPA: Williams, Pamela (VA Career Development Grant--Arnold)
VA/IPA: Wilson, Otis (VA CSR&D Merit Review Grant--Hung)
VA/IPA: Wilson, Otis (VA MVP (Million Veterans Program) Beta Grant--Hung
VA/IPA: Wyatt, Dayna (MTRI Grant--Roumie)
VA/IPA: Xu, Xiaochaun
VA/IPA: Yasmin, Sharia (VA Merit Review Grant--Algood)
VA/IPA: Yeoman, Kallie(VA Merit Review Grant--Osteen)
VA/IPA: Yull, Fiona (VA Merit Review Grant--Blackwell)
VA/IPA: Zhang, Jian (VA Merit Review Grant--Peebles)
VA/IPA: ZHOU, WEISONG (VA Merit Review Grant (Stokes) Peebles)
VA/IPA: Zhu, Lin (VA Merit Review Grant--Stafford)
VA/IPA: Zou, Jing (VA Merit Review Grant--Zinkel)
VA/IPA: Zou, Yong (VA Merit Review Grant--Massion)
VA/IPA: Zuo, Zhao (GRECC PTSD Grant--Fielstein)
VA/IPA: Zuo, Zhao (GRECC PTSD Grant--Gobbel)
VA/IPA: Moore, Jared (Va Merit Review Grant-Hawiger)
VA: AUTOPSY SERVICES AGREEMENT
VA: BONE MARROW TRANSPLANT
VA: CARDIOPULMONARY PERFUSIONIST
VA: EXCHANGE OF USE / REFERENCE LABORATORY TESTING SERVICES
VA: HEART TRANSPLANT SERVICES V626P-8185
VA: IPA (MERNAUGH, GLENDA R.)
VA: IPA/BREYER, JOAN PETRO
VA: IPA/MCCLAIN, MARK S. (VA Merit Review Grant--Cover)
VA: IPA: Brissova, Marcella (Merit Review Grant--Powers)
VA: LIVER TRANSPLANT
VA: NEUROSURGICAL SERVICES
VA: OAWA PROTOCOL REVIEW CONTRACT
VA: PHOTOPHERESIS VA249-S-0325
VA: RADIOLOGY (INTERVENTIONAL CALL SERVICE)

VA:IPA/WANG, SUWAN (VA Merit Award--Harris)
VA:TENNESSEE VALLEY HEALTHCARE SYSTEM/MEMORANDUM OF UNDERSTANDING
VAN BUREN COUNTY SCHOOLS/THIRD PARTY AGREEMENT/Mama Lere Hearing School
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS / DELEK US HOLDINGS (MAPCO)
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS : Broadcast Music Inc.
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS : DOLLAR GENERAL CORPORATION
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS : EDUCATION NETWORKS OF AMERICA
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS : ENERGY DEVELOPMENTS
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS : HEALTH & FITNESS CONCEPTS
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS : METRO NASHVILLE AIRPORT AUTHORITY

VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS : RYMAN HOSPITALITY PROPERTIES (GAYLORD ENTERTAINMENT)
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS : STAR MANUFACTURING
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS : SUMITOMO ELECTRIC WIRING SYSTEMS
Vanderbilt Dayani Center, Health and Wellness : Universal Lighting Technologies
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS : WHIRLPOOL

VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS :DEACONESS HOSPITAL, D.B.A. DEACONESS LIFEQUEST WELLNESS
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS :LifeWay
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS/SOUTHWESTERN COMMUNICATION INC.
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS: A. O. SMITH CORPORATION
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS: Bass Berry Sims
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS: INGRAM BARGE COMPANY
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS: Kyowa America
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS: Mon Valley Occupational Health
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS: NEAL & HARWELL PLC
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS: The General Council on Finance and Administration of the United Methodist Church, Inc.
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS:CORPORATE HEALTH PARTNERS INC
VANDERBILT DAYANI CENTER, HEALTH AND WELLNESS:Total Fitness Connection
Vanderbilt Department of Anesthesiology: SAMBA Clinical Outcomes Registry Agreement
VANDERBILT DIALYSIS CLINIC/VUSM (INTERNAL)
VANDERBILT HEALTH PLUS: NURSES FOR NEWBORNS OF TENNESSEE
Vanderbilt Imaging Services, L.L.C., dba Vanderbilt Imaging Belle Meade(formerly ST. THOMAS IMAGING, G.P.) / PATIENT TRANSFER
VANDERBILT IMAGING SERVICES, LLC D/B/A/ HILLSBORO IMAGING: PATIENT TRANSFER
Vanderbilt Imaging Services, LLC dba Belle Meade Imaging - Professional Services Agreement
VANDERBILT IMAGING SERVICES, LLC. DBA HILLSBORO IMAGING
Vanderbilt On-site Clinics Ageement: Metro government of Nashville and Davidson County (Metropolitan board of public education)
VANDERBILT STALLWORTH REHABILITATION HOSPITAL: PATIENT TRANSFER
VBWC: WILLIAMSON COUNTY SCHOOLS
Vermund, Sten /Massachusetts General Hospital, /NIH (5R25TW009337-04)
Vermund, Sten/University of Eduardo Mondlane
VGCC: PHYSICIAN SVCS
VHS: Amended and Restated Operating Agreement: One Hundred Oaks Imaging, LLC
VHS: Limited Partnership Agreement: Vanderbilt Stallworth Rehabilitation Hospital, L.P.

VHS: Management Agreement between: Option Care Enterprises, Inc. and Walgreens Infusion and Respiratory Services, LLC
VHS: Management Agreement: Ambulatory Surgery Center of Cool Springs - (Cool Springs Surgery Center)
VHS: Management Agreement: Vanderbilt Stallworth Rehabilitation Hospital, L.P.
VHS: Management Agreement: Vanderbilt-Gateway Cancer Center
VHS: Management Service Agreement: Spring Hill Imaging Center, LLC
VHS: Management Services Agreement: One Hundred Oaks Imaging/New Light Imaging
VHS: Management Services Agreement: One Hundred Oaks Imaging/New Light Imaging
VHS: Management Services Agreement: Vanderbilt - Maury Radiation Oncology, LLC
VHS: Management Services Agreement: Vanderbilt Health Affiliated Network, LLC
VHS: Management Services Agreement: Vanderbilt Health and Williamson Medical Center Clinics and Services, LLC
VHS: Management Services Agreement: Vanderbilt Services Agreement/New Light Imaging
VHS: Management Services Agreement: VIP Midsouth, LLC
VHS: Management Services Agreement: Williamson Imaging, LLC/New Light Imaging, LLC
VHS: Managment Services Agreement: Vanderbilt Imaging Services LLC
VHS: Operating Agreement: Ambulatory Surgery Center of Cool Springs, LLC - (Cool Springs Surgery Center)
VHS: Operating Agreement: New Light Imaging, LLC
VHS: Operating Agreement: Spring Hill Imaging Center, LLC.
VHS: Operating Agreement: Vanderbilt Health Affiliated Network, LLC
VHS: Operating Agreement: Vanderbilt Health and Williamson Medical Center Clinics and Services, LLC

VHS: Operating Agreement: Vanderbilt Imaging Services, LLC
VHS: Operating Agreement: Vanderbilt-Maury Radiation Oncology, LLC
VHS: Operating Agreement: VIP Midsouth, LLC
VHS: Operating Agreement: Walgreens Infusion and Respiratory Services, LLC
VHS: Operating Agreement: Williamson Imaging, LLC
VHS: Partnership Agreement: Vanderbilt-Gateway Cancer Center
VHS: Vanderbilt Health Services (Contracting Agreement)
VICC: OncLive Strategic Alliance
VICC: THO1595-Horn, Leora/Bristol-Myers Squibb Company
VICC: WELLS, SAM/WESTERN KENTUCKY UNIVERSITY
VICCAF: WILLIAMSON MEDICAL CENTER: PATIENT TRANSFER AGREEMENT
VICTR:Joosten,Yvonne /Workers' Dignity Project/003085959
VMG: AMERICAN GENERAL MEDICAL DIRECTOR AGREEMENT
VMG: CARECREDIT CARD ACCEPTANCE AGREEMENT (Synchrony Bank)
VMG: EMDEON CORPORATION
VMG: KIWI-TEK
VMG: NASHVILLE ADJUSTMENT BUREAU
VMG: PREMIERE CREDIT OF NORTH AMERICA, LLC: COLLECTION AGREEMENT
VOE /University Heights Academy, Observational Experience
VOE/C.S. Monroe Technology Center/
VOE/Donoho School/Observational Experience
VOE/E.B. Wilson Virtual High School (Sumner Count School District)/Observational Experience
VOE/Franklin Christian Academy/Observational Experience
VOE/Helena High School/Observational Experience
VOE/Holland Hall School/Observational Experience
VOE/HomeLife Academy/Observational Experience
VOE/Lebanon High School, Observational Experience
VOLUNTEER COMMUNITY HOSPITAL: PEDS PATIENT TRANSFER
VPLS Lab Services - Peters, Thomas/Lake Cumberland Regional Hospital
VPLS Lab Services/Cumberland Medical Center
VPLS Lab Services/Jackson-Madison County Hospital District
VPLS Lab Services: Coliseum Medical Centers
VPLS Lab Services: Sumner Regional Medical Center
VPLS Lab Services:/Centennial Surgery Center
VSRH: Health Information Exchange
VSRH: Medical Director Agreement, Respiratory
VSRH: Neuropsychology Services (Jacobs, Monica)
VSRH: Patient Information Access
VSRH: Residency Affiliation - Psychiatry
VSRH: Residency Affiliation - Psychosomatic Medicine
VSRH: AGREEMENT FOR AUTOPSY SERVICES
VSRH: ANCILLARY SERVICES AGREEMENT FOR PATHOLOGY DIAGNOSTIC AND THERAPY SERVICES
VSRH: ANCILLARY SERVICES AGREEMENT FOR RADIOLOGY AND RADIOLOGICAL SERVICES
VSRH: Ancillary Services Agreement for Radiology Staffing
VSRH: Dialysis Services Program Director Agreement
VSRH: LINEN/LAUNDRY SERVICE
VSRH: Medical Director Agreement/Physical Medicine and Rehabilitation
VSRH: Nutrition Services - TPN
VSRH: Otolaryngology and Communication Services
VSRH: PARKING AGREEMENT
VSRH: PHARMACY
VSRH: Post-Acute Care Agreement
VSRH: Program Director Agreement - Brain Injury program (Dr. Jeff Johns)
VSRH: Spinal Cord Program Director Agreement - PHYSICAL MEDICINE AND REHAB (Dr. Groomes)
VSRH: STALLWORTH GLOBAL BUSINESS ASSOCIATE AGREEMENT (BAA)
VSRH: Stroke Program Director Agreement - PM & R (Dr. Able)
VSRH: VANDERBILT HEMODIALYSIS CLINIC (OUTPATIENT SERVICES)
VUH: Q-SOURCE
VUMC: Aviation Properties LLC (Life Flight Hangar Lease)
VUMC: CLARKSVILLE-MONTGOMERY COUNTY REGIONAL AIRPORT (CAMB, LLC)
VUMC: ENABLECOMP
VUMC: NATIONAL DISASTER MEDICAL SYSTEM
VUSN ESA November 2016 and beyond
Walter, Kim/Adrenaline Lacrosse/Sports Medicine
Walter, Kim/Football University, LLC.
Walter, Kim/Lacrosse America

Walter, Kim/Lead Academy/Sports Medicine
Walter, Kim; Vanderbilt Sports Medicine; Vanderbilt Recreation Center
Wang, Thomas /Boston University
Wang, Thomas/Mayo Clinic Lab/91148999
Warren, Zachary/State of Tennessee/Department of Children's Services
Warren,Zachary /CHAPIN HALL CENTER FOR CHILDREN/CDC (U53DD001170)
WAYNE COUNTY SCHOOL SYSTEM/THIRD PARTY SERVICE AGREEMENT/Mama Lere Hearing School
WAYNE MEDICAL CENTER: PEDS PATIENT TRANSFER
Webber, Steven/Williamson County Medical Center
Weller, Kevin/ Research Core/StemSynergy Therapeutics, Inc
WELLMONT BRISTOL REGIONAL MEDICAL CENTER: PATIENT TRANSFER
WELLMONT HEALTH SYSTEM WHICH OPERATES HOLSTON VALLEY MED CTR
WEST MEADE PLACE: PATIENT TRANSFER
West Tennessee Healthcare: PATIENT TRANSFER AGREEMENT
Wester, C. William/Chemonics International, Inc/ Teaming Agreement
Wilkins, Consuelo/Meharry Medical College
Williams, Christopher/The Genie Foundation
WILLIAMS, PHILLIP/ETHICON ENDO-SURGERY, INC SERVICE AGREEMENT
Williamson Co. Medical Center (Pediatric EKG/ECHO Interpretations)
WILLIAMSON COUNTY DIALYSIS CENTER: MEDICAL DIRECTOR
WILLIAMSON COUNTY MEDICAL CENTER: PATIENT TRANSFER AGREEMENT
WILLIAMSON COUNTY PUBLIC SCHOOLS: ATHLETIC TRAINER
WILLIAMSON IMAGING D/B/A COOL SPRINGS IMAGING (CSI)
WILLIAMSON IMAGING, LLC D/B/A/ COOL SPRINGS IMAGING: PATIENT TRANSFER
WILLIAMSON MEDICAL CENTER: INFECTIOUS DISEASE CONSULTATION
WINDSOR HOUSE: OUTPATIENT DIALYSIS
Wolff-Robinson,Elizabeth /United States Healthful Food Council
WOODS, WALT/EMPOROS SYSTEMS CORPORATION/SOFTWARE LICENSE AGREEMENT
Woods, Walter /McKesson EnterpriseRx
Woods, Walter/Intercon Associates Inc
Young, Pampee/AABB Center for Patient Safety/AABB Hemovigilance Module
Zavala, Edward/Kidney Center of Missionary Ridge
ZAVALA,EDWARD/ALLIANCE FOR PAIRED DONATION COOPERATIVE AGREEMENT
ZAVALA,EDWARD/ALLIANCE FOR PAIRED DONATION INC.; MOU and BAA
Zhang, Bing, David/University of Washington
Zheng, Wei/Duke University/Shanghai Women's Health Study Letter Agreement
Zheng, Wei/University of Cambridge
Zutter, Mary / Foundation Medicine Inc.

Attachment Contribution to the Orderly Development of Healthcare.4A

Licensure & Accreditation

Board for Licensing Health Care Facilities

State of Tennessee

0000000027

No. of Beds 1025

DEPARTMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to

VANDERBILT UNIVERSITY MEDICAL CENTER *to conduct and maintain a*

Hospital VANDERBILT UNIVERSITY MEDICAL CENTER

Located at 1211 MEDICAL CENTER DRIVE, NASHVILLE

County of DAVIDSON *, Tennessee.*

This license shall expire APRIL 29 , 2018 , *and is subject to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferable, and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the laws of the State of Tennessee or the rules and regulations of the State Department of Health issued thereunder.*

In Witness Whereof, we have hereunto set our hand and seal of the State this 5TH *day of* APRIL , 2017 .

In the Distinct Category(ies) of:
GENERAL HOSPITAL
PEDIATRIC CPRC HOSPITAL
TRAUMA CENTER LEVEL 1

By Vincent J. Davis, MPH
DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By John J. Dreyzehner MD
COMMISSIONER

F011

Vanderbilt University

Nashville, TN

has been Accredited by

The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the

Hospital Accreditation Program

July 25, 2015

Accreditation is customarily valid for up to 36 months.

Rebecca J. Patchin, MD
Chair, Board of Commissioners

ID #7892
Print/Reprint Date: 10/02/2015

Mark R. Chassin, MD, FACP, MPP, MPH
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.

Attachment Contribution to the Orderly Development of Healthcare.4B

Licensure Certification & Plan of Correction

Vanderbilt University

Organization ID: 7892

1161 22nd AvenueNashville, TN 37232-2101

Accreditation Activity - 45-day Evidence of Standards Compliance Form

Due Date: 9/13/2015

HAP Standard EC.02.03.01 The hospital manages fire risks.

Findings: EP 1 §482.41(b) - (A-0709) - §482.41(b) Standard: Life Safety from Fire The hospital must ensure that the life safety from fire requirements are met. This Standard is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. In VUH above ceiling there was an open junction box adjacent to room 11001. Corrected on site. Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. In VHU the cylinder storage / manifold room had non-flammable gases stored in a quantity greater than 3000 cubic feet. The electric light switch located inside the room was less than five feet above the finished floor level. Corrected on site.

Elements of Performance:

1. The hospital minimizes the potential for harm from fire, smoke, and other products of combustion.

Scoring Category: C

Corrective Action Taken:

WHO: Assistant Vice Chancellor, Facilities and Construction

WHAT:

OPEN JUNCTION BOX - The issue with the open junction box adjacent to room 11001 was corrected when the surveyor was on site. COMPRESSED GAS STORAGE – 1. The electrical switch in VUH cylinder

storage room B306 was corrected when the surveyor was on site. 2. The following language has been added to the organizational policy (SA 10-10.09) regarding storage, use, and management of compressed gas: "Indoor rooms used for storage of greater than 3,000 cubic feet of compressed gas: iii. are built such that electrical devices are physically protected, either by use of a protective barrier around the electrical devices, or by location of the electrical device that prevents physical damage to the cylinder or containers. For example, the device is located at or above 5 feet above finished floor or other location that does not allow the possibility of the cylinders or containers to come into contact with the electrical device." VUMC Safety policy, SA 10-10.09, was reviewed and approved by the VUMC Safety Committee and the Executive Policy Committee.

WHEN:

The open junction box adjacent to Room 11001 was corrected on 7/24/2015 when the surveyor was on site. All additional areas with recent above ceiling work were checked for open junction boxes and deficiencies were corrected by 8/21/2015. The electrical switch in VUH cylinder storage room, B306, was corrected on 7/23/2015. All electric light switches in additional compressed gas storage stored in a quantity greater than 3000 cubit feet deficiencies were corrected by 8/21/2015. VUMC Safety Policy SA 10-10.09 was approved on 9/4/2015.

HOW:

OPEN JUNCTION BOX – All additional areas with recent above ceiling work were checked for open junction boxes and deficiencies were corrected. Random checks are performed by Plant Services Carpentry Shop, at least monthly, throughout the facility to verify above ceiling work close out inspections are being performed properly. These checks include verification that all junction boxes are closed. When deficiencies are noted, a root cause investigation is performed to determine corrective actions to prevent further reoccurrences. COMPRESSED GAS - All additional electric light switches in compressed gas storage stored in a quantity greater than 3000 cubic feet were surveyed and all deficiencies were corrected. Representatives from Vanderbilt Environmental Health and Safety (VEHS) conduct monthly environment of care rounds throughout the organization to include these storage areas. Reviews of these storage areas include the required parameters of signage, security, electrical safety, and cleanliness. Results are reported to the Safety Committee. When deficiencies are noted, a root cause investigation is performed to determine corrective actions to prevent further reoccurrences.

HAP Standard EC.02.04.03 The hospital inspects, tests, and maintains medical equipment.

Findings: EP 2 §482.41(c)(2) - (A-0724) - (2) Facilities, supplies, and equipment must be maintained to ensure an acceptable level of safety and quality. This Standard is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. Observed on the CCT10 Unit, a transport Defibrillator with a time displayed at 0941 hours that was behind/incorrect by 1 hour. Defibrillator time was corrected during the survey. Observed in Tracer Activities at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. During a tour of the Cardiac Catherization lab, the time on a transport defibrillator was off by one hour. Subsequent to the surveyor visit, all defibrillators were checked by staff to ensure times coincided with the official time utilized in the area.

Elements of Performance:

2. The hospital inspects, tests, and maintains all high-risk equipment. These activities are documented. (See also EC.02.04.01, EPs 3 and 4; PC.02.01.11, EP 2) Note: High-risk medical equipment includes life-support equipment.

Scoring Category: A

Corrective Action Taken:

WHO: Director, Clinical Engineering

WHAT:

The date and time on the transport defibrillators in the CCT10 unit and Cardiac Catheterization lab were corrected during the survey. Clinical Engineering has revised the Preventive Maintenance (PM) frequency in the Computer Maintenance Management System (CMMS) on all defibrillators to coincide with Daylight Saving Time start/end. This will occur in March and November each year. The Resuscitation Committee approved the addition of date/time checks on the clinical staff's daily defibrillator checklist for the crash carts. The desk phone is used as the official time. If the time or date is found to be incorrect a call will be placed to Clinical Engineering.

WHEN:

The date and time on the Transport defibrillators in the CCT10 unit and Cardiac Catheterization lab were corrected on 7/23/2015. All other defibrillators were checked and if incorrect were corrected on 7/31/2015. The update to the CMMS was completed by 8/31/2015. Defibrillator checklist for the crash carts was updated 8/18/2015.

HOW:

Defibrillators throughout the organization were checked for the correct date and time and deficiencies were corrected upon discovery. Per Vanderbilt Medical Equipment Management Plan, Clinical Engineering documents in the CMMS all service associated with high risk equipment (including life support). Preventive Maintenance is part of the documentation. All high risk equipment under the Medical Equipment Management Plan are required to have a Preventive Maintenance completion rate of 100% within the month of the work order issuance (March/November for Defibrillators). Preventive Maintenance completion rates are reported through the Environment of Care (EOC) committee. During EOC rounds the surveyor checks the daily checklist for correct date/time on defibrillators in the department being surveyed. A call is placed to Clinical Engineering for immediate correction on any defibrillator found to have an incorrect date/time.

HAP Standard EC.02.05.01 The hospital manages risks associated with its utility systems.

Findings: EP 15 §482.42 - (A-0747) - §482.42 Condition of Participation: Condition of Participation: Infection Control This Condition is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt at One Hundred Oaks (719 Thompson Lane, Nashville, TN) site for the Hospital deemed service. During a tracer of the sterile processing department, the decontamination room had a positive pressure and the clean room had a negative pressure. This was corrected during survey and confirmed by the surveyor.

Elements of Performance:

15. In areas designed to control airborne contaminants (such as biological agents, gases, fumes, dust), the ventilation system provides appropriate pressure relationships, air-exchange rates, and filtration efficiencies. (See also EC.02.06.01, EP 13) Note: Areas designed for control of airborne contaminants include spaces such as operating rooms, special procedure rooms, delivery rooms for patients diagnosed with or suspected of having airborne communicable diseases (for example, pulmonary or laryngeal tuberculosis), patients in 'protective environment' rooms (for example, those receiving bone marrow transplants), laboratories, pharmacies, and sterile supply rooms. For further information, see Guidelines for Design and Construction of Health Care Facilities, 2010 edition, administered by the Facility Guidelines Institute and published by the American Society for Healthcare Engineering (ASHE).

Scoring Category: A

Corrective Action Taken:

WHO: Assistant Vice Chancellor, Facilities and Construction

WHAT:

During Vanderbilt's 2015 triennial survey, the sterilization/decontamination areas at One Hundred Oaks had deficient pressurization when evaluated by one of the surveyors. The root cause of the problem was a failure of the variable speed frequency drive unit for the exhaust fan serving this area. The issue was corrected during the survey by replacement of the computer driver card.

WHEN:

This issue was discovered during survey on 7/21/2015 and the computer driver card was replaced on 7/22/2015. Operational status alarm features were enabled on 8/19/2015.

HOW:

To ensure prompt response in addressing future ventilation events, throughout the One Hundred Oaks facility, operational status alarm features were enabled for this fan and for any other fans serving areas where pressure relationships are required to be maintained. These features were enabled on 8/19/2015. If the operational status alarm goes off in the Delta Center for the fan in the decontamination room and the clean room at One Hundred Oaks (OHO), a call will be made to the Manager of Quality Control for Sterile Processing. At that point, operations at the OHO location will cease until appropriate pressures are restored. Weekly pressure checks are performed and logged by a member of the Heat/Air/Refrigeration (HAR) Shop to verify required pressure is maintained. Responsible HAR staff use smoke generation equipment to check the applicable areas for correct pressurization. If problems are encountered, staff convey the information to the applicable site manager, initiate a 'trouble call' and complete a 'Non-Compliant Pressure Room Report'. The trouble call is submitted to Plant Services for evaluation and repair.

HAP	Standard IC.02.02.01	The hospital reduces the risk of infections associated with medical equipment, devices, and supplies.

Findings: EP 2 §482.51 - (A-0940) - §482.51 Condition of Participation: Condition of Participation: Surgical Services This Standard is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. Reviewed, in the Ultrasound/Radiology Department, the cleaning process for transvaginal probes with Cidex OPA. During an interview with two staff members, discussed the quality control process to test newly opened Cidex OPA test strips. Both staff indicated that they tested a newly opened bottle by testing one strip in full-strength solution. The manufacturer's recommendation is to test 3 + and 3 – control strips with a full concentration and diluted concentration of Cidex OPA solution. Staff were re-trained, signage to guide staff was posted and auditing began during survey. Organization is currently in compliance. Observed in Individual Tracer at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site for the Hospital deemed service. During a tracer in the PCICU & PICU the staff stated that soiled instruments including surgical trays were sent to Central Sterile Processing in biohazard bags on a cart. Soiled items were not kept moist in transport containers with a moist towel or sprayed with an enzymatic foam as recommended by the AAMI Standards in regards to the transportation of soiled instruments. This was confirmed by the Unit Manager. EP 4 §482.51 - (A-0940) - §482.51 Condition of Participation: Condition of Participation: Surgical Services This Standard is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. During tracer activity in the GI Endoscopy Lab a specialty scope was noted to be stored in a cabinet of insufficient height to allow the scope to hang freely in a vertical position without touching the bottom of the cabinet. Staff had looped the scope in such a manner to prevent the scope from touching the bottom of the cabinet. Best practice in AAMI standards require that scopes not be looped while in storage. Observed in Individual Tracer at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site for the Hospital deemed service. During tracer activity in the VCH Endoscopy Suite an adult endoscopy scope was noted to be stored in a cabinet of insufficient height to allow the scope to hang freely in a vertical position without touching the bottom of the cabinet. Staff had looped the scope in such a manner to prevent the scope from touching the bottom of the cabinet. Best practice and AAMI standards require that scopes not be looped while in storage. This was corrected and verified during the survey. Observed in Individual Tracer at Vanderbilt University Medical Center (1301 Medical Center Drive, Nashville, TN) site for the Hospital deemed service. During tracer activity in the VUH endoscopy disinfection processing area of the OR, an endoscope was noted to be stored in such a manner to allow the tubing to touch the bottom of the cabinet. Best practice and AAMI standards require that scopes hang freely in a vertical position without touching the bottom of the cabinet. This was immediately corrected and verified during the survey. Observed in Individual Tracer at Vanderbilt University Medical Center (1215 21st Ave. South, Nashville, TN) site for the Hospital deemed service. During a tracer activity in the Cardiac Intervention unit, TEE probes were hanging in a storage cabinet. The probes, which had been cleaned to a high level of disinfection, were touching the sides of the cabinet in several places. Observed in Building

Tour at Vanderbilt University Medical Center (1215 21st Ave. South, Nashville, TN) site for the Hospital deemed service. During a tour of the ENT clinic, several scopes were high level disinfected. The scopes were hanging in a cabinet. Each scope was suspended in plastic tubes. Several of the scopes were touching the inside of the tubes which were not cleaned between use.

Elements of Performance:

2. The hospital implements infection prevention and control activities when doing the following: Performing intermediate and high-level disinfection and sterilization of medical equipment, devices, and supplies. * (See also EC.02.04.03, EP 4) Note: Sterilization is used for items such as implants and surgical instruments. High-level disinfection may also be used if sterilization is not possible, as is the case with flexible endoscopes. Footnote *: For further information regarding performing intermediate and high-level disinfection of medical equipment, devices, and supplies, refer to the website of the Centers for Disease Control and Prevention (CDC) at http://www.cdc.gov/hicpac/Disinfection_Sterilization/acknowledg.html (Sterilization and Disinfection in Healthcare Settings).

Scoring Category: A

Corrective Action Taken:

WHO: Director of Infection Prevention

WHAT:

Ultrasound/Radiology Department: The Testing and Use of Cidex OPA® 0.55% Orthophthalaldehyde High-Level Disinfectant IC 10-10.08 policy was developed by the Director of Infection Control and Prevention. The policy was endorsed by the Infection Control and Prevention Executive Committee, the Clinical Practice Committee and the Medical Center Medical Board. The Quality control procedure for Cidex OPA is addressed in the policy in the following manner: "3. Testing Procedure Following the directions for use on the bottle of test strips: a. Submerge three test strips in each of the above freshly prepared solutions for three seconds each. b. Remove. c. The three test strips dipped into the full-strength positive control should exhibit a complete color change on the indicator pad at 90 seconds for ortho-phthalaldehyde(Cidex OPA®). The three strips dipped into the diluted negative control either should remain unchanged or exhibit an incomplete color change when read at 90 seconds, depending on the product. Refer to the color chart on the test strip bottle. Record results on the log. d. Testing frequency: Do the QC test on each freshly opened bottle of test strips. e. Unsatisfactory QC Test Results: If the QC test indicates that the test strips are not functioning properly, stop using the test strips, and open another bottle of test strips (repeat QC test.)" Non-compliant staff was re-educated on the day of the survey. Re-educated staff in the Ultrasound/Radiology Department who are using Cidex

OPA regarding the Cidex OPA Test Strip testing in the Cidex OPA policy by electronic communication. PCICU & PICU: The Standard Operating Procedure for pre-cleaning soiled devices and instruments was developed and endorsed by Infection Control. Enzyme spray was added to carts and utility rooms in both areas. The pre-cleaning of soiled devices and instruments using enzymatic cleaner is addressed in the SOP in the following manner: "II. General Information: A. The pre-cleaning of soiled devices or instruments should begin in the point of use to prevent drying of blood, soil and debris on the surface, crevices, and within lumens. B. Enzymes enhance detergent cleaning for medical use by breaking down proteins and other substances found in blood and other gross soil that cannot be easily removed with solutions containing just detergents, surfactants, and water. D. Use enzymatic spray, gel, or solution according to manufacturing recommendations." Staff sending devices and instruments to Central Sterile Processing were educated to the pre-cleaning devices and instruments standard operating procedure by electronic communication.

WHEN:

Ultrasound/Radiology Department: The Testing and Use of Cidex OPA® 0.55% Orthophthalaldehyde High-Level Disinfectant IC 10-10.08 policy was approved and effective since August 2012. Re-education was sent via electronic communication on 8/31/2015. PCICU & PICU: Enzyme spray was added to the areas on the day of the survey. The Standard Operating Procedure for pre-cleaning soiled devices and instruments was developed and endorsed by Infection Control on 8/28/2015. Re-education for both areas was sent via electronic communication on 8/31/2015.

HOW:

Ultrasound/Radiology Department: Random observation by managers in Ultrasound/Radiology areas using Cidex OPA for compliance to policy. Non-compliance will be addressed by leadership. PCICU & PICU: Random observation by managers in PCICU & PICU areas that perform pre-cleaning of soiled instruments and devices for compliance of standard operating procedure. Non-compliance will be addressed by leadership. Central Sterile Processing will monitor the pre-cleaning of devices or instruments that are reprocessed in Central Sterile Processing. Non-compliance will be addressed by the non-compliant area's leadership.

4. The hospital implements infection prevention and control activities when doing the following: Storing medical equipment, devices, and supplies.

Scoring Category: C

Corrective Action Taken:

WHO: Director of Infection Prevention

WHAT:

The Device Reprocessing IC 10-10.27 online policy was developed by a multidisciplinary task force led by the hospital epidemiologist. The purpose of the task force was to ensure a standardized institution-wide program for reprocessing endoscopes (through either sterilization or high-level disinfection [HLD], as indicated) as well as HLD of other devices (e.g. vaginal ultrasound probes, transesophageal echocardiogram probes) in accordance with recommended guidelines and national standards. The procedure for storing scopes and reprocessed devices is addressed in the policy in the following manner: "B. Device Storage 1. Flexible channeled endoscopes are stored in a vertical position in clean cabinets that provide protection from contamination and damage. Labels indicating reprocessing date are placed on each flexible endoscope device. 2. Other reprocessed devices are stored in a clean environment to prevent re-contamination." Re-educated staff in all areas that store scopes to the Device Reprocessing Policy section B. 1&2 through electronic communication by Infection Control.

WHEN:

The Device Reprocessing IC 10-10.27 policy was approved and effective July 2014. Re-education to Device Reprocessing policy section B.1&2 was sent via electronic communication on 8/31/2015.

HOW:

Infection Preventionists and Quality Consultants will perform monthly observations of all scopes storage areas to assess ongoing compliance. Any non-compliance observed will be addressed at the time of discovery with the area personnel.

Evaluation Method: Measure compliance to Device Reprocessing policy in all scope storage areas each month for 4 consecutive months. Numerator = # of scopes areas with appropriately stored scopes. Denominator = Total number of scopes areas observed. Compliance will be reported monthly to the Infection Prevention Regulatory Committee.

Measure of Success Goal (%): 90

HAP Standard LS.02.01.20 The hospital maintains the integrity of the means of egress.

Findings: EP 8 §482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance

with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes. This Standard is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. In VHU the path to the public way was obstructed by sand bags located within ten feet of the MRI emergency exit. Corrected on site. EP 13 §482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes. This Standard is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site for the Hospital deemed service. The exit corridor in the basement of the Children's Hospital at stair five is cluttered with numerous items of stored medical equipment. The storage has reduced the width of the corridor to less than eight feet. Corrected on site. Observed in Building Tour at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site for the Hospital deemed service. The exit corridor in the basement of the Children's Hospital at stair five is cluttered with numerous items of stored equipment and other miscellaneous items. The storage has reduced the width of the corridor to less than eight feet. Corrected on site. Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. In VUH at the ten north trauma unit there were two linen storage carts stored in the corridor that reduced the corridor width to less than eight feet. Corrected on site. Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. In VUH at the cath lab the south corridor (5300G) width was reduced to less than eight feet due to the storage of four cabinets. Corrected on site. Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. In VHU the corridors in the emergency department were reduced to less than eight feet width due to the storage of

stretchers that were not in use.

Elements of Performance:

8. Exits discharge to the outside at grade level or through an approved exit passageway that is continuous and terminates at a public way or at an exterior exit discharge. (For full text and any exceptions, refer to NFPA 101-2000: 7.2.6 and 7.7)

Scoring Category: A

Corrective Action Taken:

WHO: Assistant Director, Vanderbilt Environmental Health and Safety (VEHS)

WHAT:

1. The sand bags located within the public way were removed during the on-site survey. 2. Plant Services management reviewed flood mitigation procedures with their staff, particularly post event clean-up including use of sand bags.

WHEN:

The sandbags were removed to correct this deficiency during the on-site survey on 7/23/2015. Plant Services staff reviewed flood mitigation procedures on 8/3/2015.

HOW:

Members of the EOC Survey Team will perform monthly environment of care rounds throughout the organization including external exits to assess on-going compliance. When there is any emergency incident that does or could alter external exits, one of the post-event follow-up activities will include an assessment of the external exits by VEHS/Plant Services. The post-event assessment is performed by the VEHS team and is part of the EOC process. Any problems are immediately reported to Vanderbilt Environmental Health and Safety and / or Plant Services by submitting a work order is submitted to Plant Services for removal of sandbags or other items impeding egress.

13. Exits, exit accesses, and exit discharges are clear of obstructions or impediments to the public way, such as clutter (for example, equipment, carts, furniture), construction material, and snow and ice. (For full text and any exceptions, refer to NFPA 101-2000: 7.1.10.1)

Scoring Category: C

Corrective Action Taken:

WHO: Assistant Director, Vanderbilt Environmental Health and Safety (VEHS)

WHAT:

A. Individual findings were addressed during the Joint Commission Survey. 1. Medical equipment was removed from the exit corridor basement of Children's Hospital at stair five; 2. Medical equipment and miscellaneous stored items were removed from the exit corridor basement of Children's Hospital at stair five; 3. Linen carts were removed from the 10 N Trauma unit in VUH; 4. The cabinets were removed from the south corridor (5300G) of the VUH Cath Lab; 5.Excess stretchers were removed from VUH Emergency Department corridor. B. Review of policy/departmental responsibilities for Support Services: VUMC policy SA 50-10.02, Equipment and Materials in VUMC Corridors was reviewed via conference call by the Assistant Director of VEHS with leaders from Environmental Services, Linen Services, and Supply Chain/Materials Management to strategize on how the Support Services departments can assist with keeping corridors uncluttered. C. Re-education about corridor clutter (VUMC policy SA 50-10.02 Equipment and Materials in VUMC Corridors) was sent to all nursing and clinic managers via electronic communication by the VEHS Assistant Director.

WHEN:

A. Medical equipment was removed from exit corridor basement of Children's Hospital on 7/22/2015; medical equipment and miscellaneous items were removed from exit corridor basement of Children's Hospital on 7/22/2015; Linen carts were removed from VUH 10N Trauma unit on 7/22/2015; Cabinets were removed from the south corridor (5300G) of the VUH Cath Lab on 7/22/2015; and Excess stretchers were removed from the VUH Emergency Department corridors on 7/22/2015. B. Conference call review of policy/departmental responsibilities on 8/18/2015 with Support Services leaders. C. Nursing and clinical managers were re-educated on 9/1/2015 about VUMC policy SA 50-10.02 Equipment and Materials in VUMC Corridors via electronic communication distributed by the Assistant Director of VEHS.

HOW:

Monthly environment of care rounds are performed throughout the organization by members EOC Survey Team to assess on-going compliance with egress requirements. Areas will receive immediate feedback during the survey about compliance status. Quarterly summary reports regarding institutional compliance are provided to organizational leadership.

HAP Standard MM.05.01.07 The hospital safely prepares medications.

Findings: EP 1 §482.23(c) - (A-0405) - (c) Standard: Preparation and administration of drugs. This Standard is NOT MET as evidenced by: Observed in Individual Tracer at Vanderbilt University Medical Center (1500 21st Ave. South, Nashville, TN) site for the Hospital deemed service. The staff RN in the dialysis unit prepared all IV medications in a small medication room. Medications that were not emergency preparations were prepared by the dialysis RN. Vancomycin, for example, was mixed in the room by an RN without a laminar flow hood. The process was to reconstitute the Vancomycin and inject it in an IV mini bag for infusion. §482.25(b)(1) - (A-0501) - (1) All compounding, packaging, and dispensing of drugs and biologicals must be under the supervision of a pharmacist and performed consistent with State and Federal laws. This Standard is NOT MET as evidenced by: Observed in Building Tour at Hemodialysis Clinic East (20 Rachel Drive, Nashville, TN) site for the Hospital deemed service. During a review of IV medication practices in the outpatient dialysis center, several doses of antibiotic were available in the medication room. The IV medications, such as vancomycin, ceptriaxone, and other antibiotics were mixed by the RNs in the medication room without a laminar flow hood.

Elements of Performance:

1. A pharmacist, or pharmacy staff under the supervision of a pharmacist, compounds or admixes all compounded sterile preparations except in urgent situations in which a delay could harm the patient or when the product's stability is short.

Scoring Category: A

Corrective Action Taken:

WHO: Accreditation and Regulatory Administrator

WHAT:

Pharmacy, nursing, and medical staff leadership reviewed the medications prepared in non-urgent situations in the Village at Vanderbilt Dialysis Clinic and Vanderbilt Dialysis East Clinic and identified premixed or point-of-care activated options (e.g. ADD-Vantage©). This will eliminate mixing medications by RN's in the Dialysis Clinic without a laminar flow hood. Staff in-services were held to educate Dialysis clinic staff on the proper use of the point-of-care activated products selected.

WHEN:

Staff in-services were completed by 8/24/2015. The two clinics converted to the use of the identified premixed or point-of-care activated products by 8/25/2015.

HOW:

Ongoing assessment of compliance in the specified Dialysis Clinics will be accomplished via staff observations interviews during monthly MEDS Surveys and every 6 month Environment of Care Surveys. Any occurrence of non-compliance will be reported to clinic and pharmacy leadership.

HAP	Standard PC.02.01.03	The hospital provides care, treatment, and services as ordered or prescribed, and in accordance with law and regulation.

Findings: EP 7 Observed in Individual Tracer at Vanderbilt University Medical Center (1601 23rd Ave. South, Nashville, TN) site. Observed in the Adult 1 Psychiatric Unit, two separate orders for anxiety/agitation (Haldol and Lorazepam po) that were given together, at the same time. The current orders did not indicate that the medications could be administered in combination. §482.57(b)(3) - (A-1163) - (3) Services must only be provided under the orders of a qualified and licensed practitioner who is responsible for the care of the patient, acting within his or her scope of practice under State law, and who is authorized by the hospital's medical staff to order the services in accordance with hospital policies and procedures and State laws. This Standard is NOT MET as evidenced by: Observed in Individual Tracer at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. Although appropriate, physician orders did not include care of the JP drain which was placed during surgery. The JP drain had not been mentioned in the physicians orders when this surveyor first looked at the orders, which was two days after placement. It was noted that the JP drain was addressed in physician orders after the tracer visit. Observed in Individual Tracer at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. The organization has a process (care transition order review) to reconcile physician orders when a patient is transferred between units or from surgery to a unit. The process reviews and/or updates orders to identify active orders. The process was not completed for the patient after surgery, and it could not be determined which orders were active.

Elements of Performance:

7. For hospitals that use Joint Commission accreditation for deemed status purposes: The hospital provides care, treatment, and services using the most recent patient order(s).

Scoring Category: A

Corrective Action Taken:

WHO: Chief of Staff, Vanderbilt University Hospital

WHAT:

Adult psychiatric pharmacy, nursing and medical staff leadership has approved a new order set for medication administration including (Haldol and Lorazepam) when being administered congruently for emergency situations. Medical Staff Rules and Regulations as approved by the Medical Center Medical Board (MCMB) & Medical Center Administrative Committee (MCAC) address patient orders in (section IV .a. ii. – iv.). "a. Patient Orders ... ii. Blanket reinstatement of orders: Blanket reinstatement of previous orders (or a summary order to resume all previous orders) for medication are not acceptable. iii. Orders automatically cancelled: All previous orders are automatically canceled when a patient goes to the operating room, is transferred to another clinical service, or changes level of care. New orders must be documented for such patients after transfer or other change in level of care. ... iv. Documentation required: All orders for treatment shall be documented in writing or electronically through the electronic order entry system." The re-education of providers to the Medical Staff Rules and Regulations regarding patient orders and therapeutic duplication was completed via electronic communication from the Chief of Staff for Vanderbilt Health Services.

WHEN:

The Medical Staff Rules and Regulation was last approved on 5/21/2015 and published online on the policy website. The re-education of providers to the Medical Staff Rules and Regulations regarding patient orders and therapeutic duplication was completed via electronic communication from the Chief of Staff on 9/1/2015. The new medication order set was approved on 9/1/2015 and implemented 9/8/2015.

HOW:

Random audits will be conducted for provider order compliance to the Medical Staff Rules and Regulations. Non-compliance will be addressed by medical staff leadership.

HAP	Standard PC.02.02.03	The hospital makes food and nutrition products available to its patients.

Findings: EP 11 Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site. Observed in the PTU, a nutrition refrigerator temperature log with out of range temperatures on 7, 9, 14, 15 and 16 July without evidence of a corrective action and appropriate temperature range. According to the temperature log instructions, temperatures that were out of range should be adjusted, retaken, then if it continued to be out of range, the operator should contact Plant Operations for assistance. Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site. Observed in the PTU, a nutrition freezer temperature log with out of range temperatures on 9,15 and 16 July without any evidence of corrective action and appropriate temperature range. According to the temperature log instructions, temperatures that were out of range should be adjusted, retaken, then if it continued to be out of range, the operator should contact Plant Operations for assistance. Observed in Tracer Activities at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site. An open milk carton without an open or expiration date was observed in the refrigerator in the Burn ICU. Observed in Individual Tracer at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site. During the review of a PICU nutrition refrigerator temperature log, two dates were noted to be out of range (07/16/15 and 07/17/15). The staff wrote "Adjusted" on the temperature log. There was no documentation of a temperature recheck or return to correct temperature range during that 48 hour period.

Elements of Performance:

HAP	Standard PC.03.01.03	The hospital provides the patient with care before initiating operative or other high-risk procedures, including those that require the administration of moderate or deep sedation or anesthesia.

Findings: EP 1 Observed in Individual Tracer at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site. A presedation patient assessment was not in the medical record before moderate sedation was administered. It was also not in the medical record two hours after the debridement procedure was completed. The physician indicated that although the assessment had been completed and the documentation had been started, the

documentation had not been completed prior to the administration of the sedation. Observed in Individual Tracer at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site. The preanesthesia patient assessment done prior to an organ transplant did not include documentation of an airway assessment. Other components of the preanesthesia assessment were present. EP 8 Observed in Individual Tracer at Vanderbilt Bone & Joint Surgery Center (225 Bedford Way, Franklin, TN) site. During tracer activity and review of the medical record of a surgical patient, there was no evidence that the patient was re-evaluated prior to induction of anesthesia/sedation. Observed in Individual Tracer at Vanderbilt Bone & Joint Surgery Center (225 Bedford Way, Franklin, TN) site. During tracer activity and review of the medical record of a surgical patient, there was no evidence that the patient was re-evaluated prior to induction of anesthesia/sedation. Observed in Individual Tracer at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site. During tracer activity and review of the medical record of a surgical patient, there was no evidence that the patient was re-evaluated prior to induction of anesthesia/sedation. Observed in Individual Tracer at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site. During tracer activity and review of the medical record of a surgical patient, there was no evidence that the patient was re-evaluated prior to induction of anesthesia/sedation. Observed in Individual Tracer at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site. There was no evidence that the patient was reevaluated immediately before administering moderate sedation prior to a debridement procedure. Observed in Individual Tracer at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site. There was no evidence that the patient was reevaluated immediately before administering anesthesia prior to an organ transplant. Observed in Individual Tracer at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site. During tracer activity in the PACU the record of a patient who had received anesthesia did not contain evidence of reevaluation immediately prior to induction of anesthesia as required by regulation. This was verified by Medical Directors of Anesthesia and Cardiac Anesthesia.

Elements of Performance:

1. Before operative or other high-risk procedures are initiated, or before moderate or deep sedation or anesthesia is administered: The hospital conducts a presedation or preanesthesia patient assessment. (See also RC.02.01.01, EP 2)

Scoring Category: A

Corrective Action Taken:

WHO: The Vice Chair for Clinical Affairs, Anesthesiology

WHAT:

One to one conversation with the non-compliant providers was performed. The departmental policy for pre-anesthesia patient assessment was discussed in the Anesthesia Department meeting.

WHEN:

One to one conversation with the non-compliant providers occurred during survey, 7/21/2015. Anesthesia Department meeting occurred 8/5/2015.

HOW:

Anesthesia will randomly audit records for compliance with pre-sedation/pre-anesthesia assessment. Any non-compliance will be addressed by Anesthesia Leadership.

8. The hospital reevaluates the patient immediately before administering moderate or deep sedation or anesthesia. (See also RC.02.01.01, EP 2)

Scoring Category: A

Corrective Action Taken:

WHO:

The Vice Chair for Clinical Affairs, Anesthesiology.

WHAT:

The Vice Chair for Clinical Affairs, Anesthesiology implemented the documentation of patient re-evaluation prior to induction of anesthesia/sedation in all perioperative anesthesia areas during the survey in response to guidance from the surveyors. This was communicated to all perioperative anesthesia areas through inter-office communications.

WHEN:

Inter-office communication sent 7/21/2015. This communication was reiterated 8/15/2015 at all-faculty meeting.

HOW:

Vanderbilt Coding and Billing Office will conduct random chart audits for compliance on patient re-evaluation prior to induction of anesthesia/sedation. Non-compliance will be addressed by Anesthesia Leadership.

Vanderbilt University

Organization ID: 7892

1161 22nd AvenueNashville, TN 37232-2101

Accreditation Activity - 60-day Evidence of Standards Compliance Form

Due Date: 9/28/2015

HAP Standard EC.02.01.01 The hospital manages safety and security risks.

Findings: EP 5 §482.41(a) - (A-0701) - §482.41(a) Standard: Buildings The condition of the physical plant and the overall hospital environment must be developed and maintained in such a manner that the safety and well-being of patients are assured. This Standard is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site for the Hospital deemed service. The trash compactor number one located at the receiving dock of the Children's Hospital was unattended with the operational key inserted allowing anyone to operate the compactor. Corrected on site. Observed in Building Tour at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site for the Hospital deemed service. The trash compactor number two located at the receiving dock of the Children's Hospital was unattended with the operational key inserted allowing anyone to operate the compactor. Corrected on site.

Elements of Performance:

5. The hospital maintains all grounds and equipment.

Scoring Category: C

Corrective Action Taken:

WHO:

Assistant Vice Chancellor, Facilities and Construction

WHAT:

The keys for trash compactors number one and two, located at the receiving dock of Children's Hospital, were immediately removed from the trash compactors during the survey. Education was sent to appropriate responsible personnel via email communication that trash compactor keys are to be kept in a secure location and never left in the trash compactor.

WHEN:

The keys were removed during the survey on 7/21/2015. Education was sent to appropriate responsible personnel via email communication by 9/18/2015.

HOW:

Keys for the trash compactors are kept in a central location with access granted only to qualified personnel. Plant services will perform weekly observations for ongoing compliance of the security of the trash compactor keys.

Evaluation Method: For the next 4 months, VUMC will observe the 4 trash compactors weekly to monitor ongoing compliance with security of the compactor keys. The denominator is the total number of trash compactor inspections. The numerator is the total number of trash compactors found secured (no keys left unsecured). The results of these inspections will be reported to the VUMC Safety Committee.

Measure of Success Goal (%): 90

HAP **Standard EC.02.06.01** **The hospital establishes and maintains a safe, functional environment. Note: The environment is constructed, arranged, and maintained to foster patient safety, provide facilities for diagnosis and treatment, and provide for special services appropriate to the needs of the community.**

Findings: EP 1 §482.41(a) - (A-0701) - §482.41(a) Standard: Buildings The condition of the physical plant and the overall hospital environment must be developed and maintained in such a manner that the safety and well-being of patients are assured. This Standard is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. Observed in the Interventional Radiology Procedure Room # 1077 Relocatable Power Taps in use in a patient care area that were not permanently attached to the equipment assembly and does not meet UL1363A or the organizational policy (Electrical Equipment, effective March 2015). The power strip was removed from the procedure room. Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. Observed in the Interventional Radiology Procedure Room # 1074 Relocatable Power Taps in use in a patient care area that were not permanently attached to the equipment assembly and does not meet UL1363A or the organizational policy (Electrical Equipment, effective March 2015). The power strip was removed from the procedure room.

Elements of Performance:

1. Interior spaces meet the needs of the patient population and are safe and suitable to the care, treatment, and services provided.

Scoring Category: C

Corrective Action Taken:

WHO:

Assistant Vice Chancellor, Facilities and Construction

WHAT:

The issue with the unapproved Relocatable power taps(RPT) in Interventional Radiology (IR) rooms 1077 and 1074 (patient care areas) was corrected when the surveyor was on site. RPTs were removed from both rooms. VUMC policy, SA 50-10.01, Electrical Equipment policy provides information about Vanderbilt's election to use the Centers for Medicare and Medicaid Services (CMS) categorical

waiver (Reference S&C 14-46-LSC). This waiver and the policy (implemented in 3/2015) define the types of and requirements associated with the use of relocatable power taps within the organization. Plant Services and Informatics completed the assessment, appropriate attachment, and upgrade of RPT's in the following in-patient and clinic sites: Vanderbilt University Hospital, Monroe Carroll Jr. Children's Hospital at Vanderbilt, One Hundred Oaks, Vanderbilt Eye Institute, Doctor's Office Tower, The Vanderbilt Clinic, Med Center East North Tower, and Med Center East South Tower. Informatics staff facilitated the RPT assessment, appropriate attachment, removal and/or upgrade in off-site clinics. Informatics also performed the assessment, appropriate attachment, and upgrade of RPT's associated with on-site mobile computer workstations.

WHEN:

The unapproved RPT's in Interventional Radiology procedure rooms 1107 and 1104 were removed on 7/24/2015 when the surveyor was on site. SA 50-10.01, Electrical Equipment policy was revised in 3/2015. As of 9/21/2015, all additional VUMC patient care areas were assessed and the RPT's, if present, were either removed or replaced with approved RPT equipment that was appropriately attached.

HOW:

Plant Services and Informatics assessed all VUMC patient care areas. Any RPT's, if present, were either removed or replaced with approved RPT equipment that were appropriately attached. Plant Services electric shop will inspect 50 rooms monthly for compliance with RPTs.

Evaluation Method: Based on the number of rooms where RPTs are located, Plant Services will randomly inspect 50 rooms per month for the next 4 months for ongoing compliance. The denominator equals the total number of RPTs in the rooms inspected. The numerator equals the total number of RPTs found to be compliant. The results of these inspections will be reported to the VUMC Safty Committee.

Measure of Success Goal (%): 90

HAP **Standard IC.02.01.01** **The hospital implements its infection prevention and control plan.**

Findings:

EP 1 §482.42 - (A-0747) - §482.42 Condition of Participation: Condition of Participation: Infection Control This Condition is NOT MET as evidenced by: Observed in Tracer Activities at Vanderbilt Bone & Joint Clinic (206 Bedford Way, Franklin, TN) site for the Hospital deemed service. During tracer activity and tour of the occupational therapy cleaning of the hydrocollator had been performed every month versus every 14 days per manufacturers recommendation. The policy for this process had been corrected and implemented prior to the end of this survey. §482.13(c)(2) - (A-0144) - (2) The patient has the right to receive care in a safe setting. This Standard is NOT MET as evidenced by: Observed in Tracer Activities at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. The hospital does not always successfully implement activities to minimize, reduce, or eliminate the risk of infection. For example, dust was observed on the bronchoscopy tower cart and the bronchoscopy cart in the Burn ICU. Observed in Peds/ED, Tracer Activities at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site for the Hospital deemed service. During environment of care rounds, it was observed, three emergency carts with attached side shelves for

holding additional supplies. The carts were moderately to heavily soiled with dust. Observed in Peds/ED, Tracer Activities at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site for the Hospital deemed service. It was observed in a storage area, a cart with a pediatric weighing scale on top. The cart was moderately soiled with dust.

Elements of Performance:

1. The hospital implements its infection prevention and control activities, including surveillance, to minimize, reduce, or eliminate the risk of infection.

Scoring Category: C

Corrective Action Taken:

WHO:

Director of Infection Prevention

WHAT:

All medical equipment cited above was cleaned during the survey. Organization-wide re-education regarding the cleaning of medical equipment was sent by electronic communication.

WHEN:

All medical equipment cited above was cleaned by 7/24/2015 during the survey. Organization-wide re-education regarding the cleaning of medical equipment completed by 9/21/2015.

HOW:

Ongoing assessment of compliance to equipment cleaning will be accomplished via monthly Environment of Care Surveys. Any occurrence of non-compliance will be reported to unit leadership for correction.

HAP Standard LD.04.01.07 The hospital has policies and procedures that guide and support patient care, treatment, and services.

Findings: EP 2 Observed in Tracer Activities at Vanderbilt Medical Group at West End Ave. | 2611 West End Av (2611 West End Ave., Nashville, TN) site. During tracer activity and tour of the allergy/asthma clinic management of samples had not been in compliance with the organizational policy "Sample Medication Management" OP10-10.02 current as of June 2015. Although the clinic had a log of all samples, there was no documentation of who the medication was dispensed to, the date dispensed or the lot number or the medication dispensed. In addition, there was "message communication in the electronic medical record but no evidence of an order or education to the patient of the medication as directed by the policy. Observed in Individual Tracer at Vanderbilt University Medical Center | 2200 Children's Way, (2200 Children's Way, Nashville, TN) site. During a tracer in the PICU an observation was made of signage on the breast milk storage refrigerator which stated "Breast Milk Pumped (never frozen) May be Stored for Up to Seven Days." The nurse manager confirmed this is the procedure followed in the PICU. The HCO's Policy CL 30-19.17 (last revised date August 2007) "Breastfeeding; Expressing and Storage of Breast Milk-VCH" states "EBM should be frozen immediately if it is not to be used within 24 hours." The policy does not address storage of breast milk in the refrigerator for seven

days. The current CDC recommendation is to store expressed breast milk for a maximum of 5 days. Policies and Procedures were revised during survey and practice was changed to meet current CDC recommendations.

Elements of Performance:

2. The hospital manages the implementation of policies and procedures. (See also NR.02.03.01, EP 2)

Scoring Category: C

Corrective Action Taken:

WHO:

The Accreditation and Regulatory Administrator

WHAT:

Observation 1: The Sample Medication Management policy OP 10-10.02 was updated to include revised log sheets for documentation of sample medication to include: who the medication was dispensed to, the date dispensed, the lot number and medication dispensed. A Sample Medication Program Implementation Plan was developed by the Pharmacy detailing the required steps for compliance with the revised Sample Medication Management policy. In-services were held by the clinic manager to educate the Vanderbilt Asthma, Sinus, and Allergy Program (VASAP) providers and clinical staff regarding the new processes. Observation 2: Expressing and Storage of Breast Milk Policy CL 30-19.17 was reviewed and revised to include the following changes under section V.C, storage of breast milk (EBM): "EBM should be frozen immediately if it is not to be used within 48 hours. If EBM is fortified it should be used within 24 hours" and "Partially thawed EBM can be re-frozen in the hospital setting." Breast milk storage signs were developed and placed on all breast milk refrigerators in VCH. The sign reflects the updated storage timeframes according to the revised policy. Education to Vanderbilt Children's Hospital (VCH) staff was completed via newsletters summarizing updated breast milk storage guidelines.

WHEN:

Observation 1: The revised Sample Medication Management policy OP 10-10.02 was approved by the Pharmacy, Therapeutics and Diagnostics Committee and was approved and implemented by the Medical Center Medical Board on 9/3/2015. The Sample Medication Program Implementation Plan was provided to the VASAP Manager on 8/21/2015. VASAP Provider and staff education was completed via in-services and email notification by 9/9/2015. Revised processes were implemented on 9/10/2015. Observation 2: The revised Expressing and Storage of Breast Milk Policy was approved by the Medical Center Medical Board in 9/22/2015. Signs were placed on the breast milk refrigerators 9/18/2015. Staff education was completed by 9/21/2015.

HOW:

Observation 1: The Pharmacy Compliance and Process Improvement Manager performs monthly reviews of Sample Medication documentation to assess ongoing compliance. Observation 2: The Quality Improvement Analysts perform monthly observations of breast milk storage to assess ongoing compliance.

Evaluation Method: Observation 1: Sample Medication documentation will be reviewed monthly for four consecutive months via log and chart reviews. The review will include documentation of who the medications was dispensed to, the date dispensed, the lot number of the medication dispensed, patient education, and the provider order. All patients who recieve sample medication from the clinic will be audited. Denominator = the total number of patients who recieved sample medication; Numerator = number of patients

who recieved sample medication dispenses with specified documentation. Data will be reported to Pharmacy Therapeutics and Diagnostic Committee. Observation 2: All breast milk refrigerators will be reviewed monthly for four consecutive months via Quality Improvement Analysts. The review will include verification that the sign is affixed to the refrigerator. Denominator = the total number of refrigerators; Numerator = the number of refrigerators with compliant signage. All bottles of breast milk stored in all breast milk refirgerators will be reviewed. Denominator = the total number of bottles of breast milk; Numerator = the number of compliant bottles stored in the refrigerator. Data will be reported to the Children's Performance Management and Improvement Council.

Measure of Success Goal (%): 90

HAP **Standard LS.02.01.10** **Building and fire protection features are designed and maintained to minimize the effects of fire, smoke, and heat.**

Findings: EP 9 §482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes. This Standard is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site for the Hospital deemed service. At the Children's Hospital there was a penetration above ceiling located on the seventh floor adjacent to room 7407 due to a four inch sleeve containing communication type wiring that was not properly filled with an approved fire resistance rated material in the two hour fire resistance rated separation . Corrected on site. Observed in Building Tour at Vanderbilt University Medical Center (2200 Children's Way, Nashville, TN) site for the Hospital deemed service. At the Children's Hospital there was a penetration above ceiling located on the sixth floor adjacent to room 6007 due to a two inch sleeve containing communication type wiring that was not properly filled with an approved fire resistance rated material in the two hour fire resistance rated separation . Corrected on site. Observed in Building Tour at Vanderbilt University Medical Center (1161 21st Ave. South, Nashville, TN) site for the Hospital deemed service. At Medical Center North there was a penetration in the two hour fire resistance rated separation adjacent to room 4404 due to a four inch sleeve containing communication wire where the interior space was not filled with an approved fire resistance rated material.Corrected on site. Observed in Building Tour at Vanderbilt University Medical Center (1161 21st Ave. South, Nashville, TN) site for the Hospital deemed service. At Medical Center North there was a penetration in the

two hour fire resistance rated separation adjacent to room 3402 due to a four inch sleeve containing communication wire where the interior space was not filled with an approved fire resistance rated material. Corrected on site. Observed in Building Tour at Vanderbilt University Medical Center (1215 21st Ave. South, Nashville, TN) site for the Hospital deemed service. At the East North Tower there was an above ceiling penetration located adjacent to stair 3 in the two hour fire resistance rated separation due to a one half inch sleeve not filled with an approved fire rated material. Corrected on site.

Elements of Performance:

9. The space around pipes, conduits, bus ducts, cables, wires, air ducts, or pneumatic tubes that penetrate fire-rated walls and floors are protected with an approved fire-rated material. Note: Polyurethane expanding foam is not an accepted fire-rated material for this purpose. (For full text and any exceptions, refer to NFPA 101-2000: 8.2.3.2.4.2)

Scoring Category: C

Corrective Action Taken:

WHO:

Assistant Vice Chancellor, Facilities and Construction

WHAT:

The above ceiling penetration in Children's Hospital located on the 7th floor adjacent to room 7407 and on the 6th floor adjacent to room 6007 were properly filled with an approved fire resistant rated material in the 2 hr fire resistance rated separation. The penetrations at MCN adjacent to room 4404 and at MCN adjacent to room 3402 were properly filled with an approved fire resistant rated material in the 2 hr fire resistance rated separation. The above ceiling penetration at East North Tower adjacent to stair 3 was filled with an approved fire material. VUMC has an above ceiling program, outlined by VUMC safety policy, SA 40-10.07, Above Ceiling Work(ACW). The policy requires an ACW Permit to be maintained at the work location and all personnel performing above ceiling work to carry a VUMC (ACW)certification card. Upon completion of ACW, the individual responsible for the work completes a completion checklist. The permit is considered closed out once the final inspection signature block and date fields are completed by VUMC authorizing representative.

WHEN:

The above ceiling penetrations in Children's Hospital located on the 7th floor adjacent to room 7407 and on the 6th floor adjacent to room 6007 were properly filled with an approved fire resistant rated material in the 2 hr fire resistance rated separation on 7/24/2015. The penetrations at MCN adjacent to room 4404 and at MCN adjacent to room 3402 were properly filled with an approved fire resistant rated material in the 2 hr fire resistance rated separation on 7/24/2015. The above ceiling penetration at East North Tower adjacent to stair 3 was filled with an approved fire material on 7/24/2015. Above Ceiling Work policy revised 4/2013.

HOW:

The Plant Services Department has a preventative maintenance (PM) program/building maintenance program (BMP). Fire/Smoke barrier assemblies are included as "assets" in the BMP and are checked continuously throughout the organization for penetrations in fire-rated walls. Any penetrations discovered during these inspections are properly filled with an approved fire resistant rated material. In addition to the Plant Services PM and BMP programs, VUMC also has an ACW Program, outlined by VUMC safety policy, SA 40-10.07, Above Ceiling Work policy. The policy requires an ACW permit to be maintained at the work location and that all personnel performing above ceiling work to carry a VUMC ACW Certification Card. Upon completion of ACW permit, the individual responsible

for the work completes a completion checklist. The permit is considered closed out once the final inspection signature block and date fields are completed by VUMC authorizing representative.

HAP Standard LS.02.01.30 The hospital provides and maintains building features to protect individuals from the hazards of fire and smoke.

Findings: EP 23 §482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes. This Standard is NOT MET as evidenced by: Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. In VHU the smoke separation double door number 10636 had a gap greater than 1/8 inch at the location of where the two doors meet. Observed in Building Tour at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. In VHU the smoke separation double door number 9220 had a gap greater than 1/8 inch at the location of where the two doors meet. Observed in Building Tour at Vanderbilt University Medical Center (1601 23rd Ave. South, Nashville, TN) site for the Hospital deemed service. The double leaf smoke separation door adjacent to room 2178 did not close completely resulting in a gap greater than one eighth inches between the meeting edges.

Elements of Performance:

23. Doors in smoke barriers are self-closing or automatic-closing, constructed of 1 3/4-inch or thicker solid bonded wood core or constructed to resist fire for not less than 20 minutes, and fitted to resist the passage of smoke. The gap between meeting edges of door pairs is no wider than 1/8 inch, and undercuts are no larger than 3/4 inch. Doors do not have nonrated protective plates more than 48 inches above the bottom of the door. (For full text and any exceptions, refer to NFPA 101-2000: 18/19.3.7.5, 18/19.3.7.6, and 8.3.4.1)

Scoring Category: C

Corrective Action Taken:

WHO:

Assistant Vice Chancellor, Facilities and Construction

WHAT:

The gaps at the meeting edges of smoke separation double door number 10636, 9220, and the double leaf smoke separation door adjacent to room 2178 were corrected to a gap of less than 1/8 inch.

WHEN:

Gaps at the meeting edges of smoke separation double door numbers 10636, 9220, and the double leaf smoke separation door adjacent to room 2178 were corrected to a gap of less than 1/8 inch on 8/20/2015.

HOW:

The Plant Services Department has a preventative maintenance (PM) program/building maintenance program (BMP). Fire/Smoke barrier door assemblies are included as "assets" in the BMP and are checked continously throughout the organization. The PM for 1 and 2 hr Fire/Smoke barrier door assemblies includes checking for gaps not greater than 1/8 inch. Any door discovered to have a gap greater than 1/8 inch between the meeting edges is reported to the Manager of Work Management & Compliance. A work order is generated for immediate attention to the doors. The Environment of Care team conducts weekly inspections throughout the organization and reviews doors for appropriate gaps as part of these inspections. Deficiencies are reported to the Manager of Work Management & Compliance for correction when observed.

HAP Standard MM.05.01.11 The hospital safely dispenses medications.

Findings: EP 4 Observed in Individual Tracer at Vanderbilt University Medical Center (1500 21st Ave. South, Nashville, TN) site. The dialysis unit routinely used a multidose vial of 30,000 units of heparin per ml for injection as a multidose vial. The multidose vial is used for different patients until empty. Observed in Building Tour at Hemodialysis Clinic East (20 Rachel Drive, Nashville, TN) site. During a tour of the outpatient dialysis unit, several bottles of heparin 30,0000 units per cc vials were located in the medication room. The vials are used for several patients and are not used for one patient,

Elements of Performance:

4. Medications are dispensed in the most ready-to-administer forms commercially available and, if feasible, in unit doses that have been repackaged by the pharmacy or licensed repackager.

Scoring Category: C

Corrective Action Taken:

WHO:

Accreditation and Regulatory Administrator

WHAT:

Pharmacy, nursing, and medical staff leadership reviewed heparin use in the Village at Vanderbilt Dialysis Clinic and Vanderbilt Dialysis East Clinic and identified the heparin 1,000 unit/mL, 10 mL vial size as the most ready-to-administer form commercially available. Staff in-services were held to educate staff on the new vial size and to limit use to one vial / one patient.

WHEN:

Dialysis clinic staff in-services were completed by 8/24/2015. The two Dialysis clinics converted to the use of heparin 1,000 unit/mL, 10 mL vial size and the use of one vial / one patient by 8/25/2015.

HOW:

1. Heparin Vial purchases: All heparin purchases will be reviewed to validate the purchase of heparin

1,000 unit/mL in the 10mL vial size rather than 30 mL at the Dialysis clinics. 2. Review of all heparin vials in stock during monthly survey. Dialysis clinic observations will be conducted monthly to validate the use of heparin vials for only one patient. Compliance will be reported monthly to Pharmacy, Therapeutics and Diagnostics Committee.

Evaluation Method: All heparin purchases will be reviewed monthly by pharmacy to validate the purchase of heparin 1,000 unit/mL in the 10mL vial size rather than 30 mL at the Dialysis clinics. Denominator = the total number of heparin vials purchased each month; Numerator = the number of heparin vials purchased in the appropriate vial size. This will be monitored for 4 consecutive months. 2. Review of all heparin vials in stock during monthly survey. Dialysis clinic observations will be conducted monthly to validate the use of heparin vials for only one patient. Observations will be conducted of the area for no opened vials of heparin found in stock. Observation will be completed by pharmacy and regulatory specialist. Observations: Denominator= total number of heparin vials in stock; Numerator = the number of unopened heparin vials. Observations: Denominator= total number of staff observed; Numerator = the number of staff compliant. Both will be monitored for 4 consecutive months. Compliance for both indicators will be reported monthly to Pharmacy, Therapeutics and Diagnostics Committee.

Measure of Success Goal (%): 90

HAP **Standard MS.06.01.03** **The hospital collects information regarding each practitioner's current license status, training, experience, competence, and ability to perform the requested privilege.**

Findings: EP 6 §482.11(c) - (A-0023) - (c) The hospital must assure that personnel are licensed or meet other applicable standards that are required by State or local laws. This Standard is NOT MET as evidenced by: Observed in Credentialing and Privileging at Vanderbilt University (1161 22nd Avenue, Nashville, TN) site for the Hospital deemed service. During review of a medical staff LIP credentials file, it was noted that the physician's license had expired on 6-30-14 and primary source verification of renewal was documented on 7-2-14. The physician's license was not documented as renewed on 6-30-14 as verified by both the Director and Manager of Medical Staff Provider Support Services. There was an attempt to verify the renewal of the license on 6-30-14, but the State was unable to verify the renewal due to the late submission of the application. The Medical Staff Provider Support Services coordinator stated that the physician submitted the reapplication on 6-30-2014. The physician practiced on 7-1-2014 as confirmed by the Accreditation and Regulatory Administrator. The license was validated as renewed on 7-2-14 by the credentialing specialist. Current documentation posted from the Tennessee Code states the physician's license was renewed from 7-1-2014 through 6-30-2016.

Elements of Performance:

6. The credentialing process requires that the hospital verifies in writing and from the primary source whenever feasible, or from a credentials verification organization (CVO), the following information: -

The applicant's current licensure at the time of initial granting, renewal, and revision of privileges, and at the time of license expiration - The applicant's relevant training - The applicant's current competence (See also PC.03.01.01, EP 1)

Scoring Category: A

Corrective Action Taken:

WHO:

Chief Medical Officer, VMG

WHAT:

The policy, Provider Support Services (PSS) License Renewal Verification Process was developed and approved by the Executive Committee of the Medical Center Medical Board. This policy outlines the process that ensures all credentialed providers maintain current State and Federal license requirements. The Medical Staff Bylaws and Rules & Regulations were approved by the Medical Center Medical Board, Medical Staff and the Medical Center Affairs Committee and address the responsibility of the licensed healthcare professionals to maintain current license without lapse in section 3.2.1: "Licensure: Hold a currently valid license issued by the State of Tennessee to practice medicine or dentistry or teach a new procedure or learn a new technique." The re-education of medical staff to the Medical Staff Bylaws and Rules & Regulations regarding expiring licenses was completed via electronic communication from the Chief of Staff. Clarifying information from the Board of Medical Examiners regarding the Board's interpretation of the 60 day "grace" period for license renewals was posted to the PSS SharePoint site for the PSS Staff and communicated to each member of the team.

WHEN:

The policy, Provider Support Services (PSS) License Renewal Verification Process was approved and implemented on 8/20/2015. The Medical Staff Bylaws and Rules & Regulations were last approved on 5/21/2015 and published online in Policy Tech. The re-education of the medical staff to the Medical Staff Bylaws and Rules & Regulations regarding expiring licenses was completed via electronic communication from the Chief of Staff by 9/7/2015. The SharePoint post and communication to PSS Staff occurred on 7/27/2015.

HOW:

Provider Support Leadership will monitor the activities of the process to ensure compliance with the Provider Support Services (PSS) License Renewal Verification Process on a monthly basis.

HAP Standard PC.01.03.01 The hospital plans the patient's care.

Findings: EP 44 Observed in Individual Tracer at Vanderbilt at One Hundred Oaks (719 Thompson Lane, Nashville, TN) site. A patient had the care need of anxiety identified by the provider. However, there were no specific goals identified as part of a patient treatment plan. Observed in Individual Tracer at Vanderbilt at One Hundred Oaks (719 Thompson Lane, Nashville, TN) site. Included in the provider visit note was a statement that the health goals of diet, exercise, substance abuse, and risk reduction were discussed. However, there was no description of these goals specific to this particular patient's care needs reflected in a treatment plan.

Elements of Performance:

44. For hospitals that elect The Joint Commission Primary Care Medical Home option: Patient self-management goals are identified, agreed upon with the patient, and incorporated into the patient's treatment plan. (Refer to RI.01.02.01, EP 1)

Scoring Category: A

Corrective Action Taken:

WHO:

Medical Director of Vanderbilt Comprehensive Care Clinic (VCCC)

WHAT:

The provider progress note template was revised to include patient self management goals and incorporated into the patient's treatment plan with the patient's agreement. Comprehensive Care Clinic providers were educated to the new provider note template at the provider meeting.

WHEN:

Provider progress note template revised 9/3/2015. Provider education completed 9/9/2015.

HOW:

Random medical record audits will be conducted to verify the presence of self management goals that are agreed upon with the patient and incorporated into the patient's treatment plan.

HAP	**Standard RI.01.04.03**	**For hospitals that elect The Joint Commission Primary Care Medical Home option: The primary care medical home provides patients with information about its functions and services.**

Findings: EP 1 Observed in Individual Tracer at Vanderbilt at One Hundred Oaks (719 Thompson Lane, Nashville, TN) site. A new patient information booklet had been developed that included this standard's information requirements. However, a patient's documented education was reviewed and there was no evidenced that the required information had been provided. The patient had been treated at the clinic for several years and was not considered a "new patient". Further, the patient's record indicated that she could not read. In discussion with clinic leadership staff, it was determined that there was not a mechanism in place to provide this required information to long-standing patients or those with literacy needs.

Elements of Performance:

1. For hospitals that elect The Joint Commission Primary Care Medical Home option: The primary care medical home provides information to the patient about: Its mission, vision, and goals. (Refer to LD.02.01.01, EP 3) Note: This may include how it provides for patient-centered and team-based comprehensive care, a systems-based approach to quality and safety, and enhanced patient access.

Scoring Category: A

Corrective Action Taken:

WHO:

The Clinical Director of Vanderbilt Comprehensive Care clinic (VCCC)

WHAT:

Required Information: A process was developed to provide brochures describing the mission, vision, and goals for comprehensive care at VCCC. These brochures are available at the front desk and given to every patient at every visit. Front desk staff were trained to provide a brochure to each patient at intake. Health Literacy Needs: The provider progress note template was revised to address health literacy needs. Clinical staff were reeducated via on-screen demonstration and written communication in team meeting to discuss current process to verbally go over printed materials with patients who have a positive intake result for health literacy needs.

WHEN:

Required Information: The process for providing the brochures and the training of the front desk staff was completed 9/14/2015. Health Literacy Needs: The provider progress note template was revised and providers were educated at the provider meeting and the form was implemented by 9/9/2015. Clinical staff reeducation was completed 9/14/2015.

HOW:

Random observations that patients are receiving the required information, suitable to the patient, regarding the mission, vision and goals of the VCCC will be conducted. Random electronic medical record audits will be conducted to verify that health literacy is addressed in the provider note. Non compliance will be addressed by the clinical director of VCCC.

HAP Standard RI.01.05.01 The hospital addresses patient decisions about care, treatment, and services received at the end of life.

Findings: EP 9 §482.13(b)(3) - (A-0132) - (3) The patient has the right to formulate advance directives and to have hospital staff and practitioners who provide care in the hospital comply with these directives, in accordance with §489.100 of this part (Definition), §489.102 of this part (Requirements for providers), and §489.104 of this part (Effective dates). This Standard is NOT MET as evidenced by: Observed in Individual Tracer at Vanderbilt Medical Group at Coolsprings Blvd. (324 Coolsprings Blvd., Franklin, TN) site for the Hospital deemed service. During review of the medical record of an oncology patient, there was no evidence that the patient had an advance directive or had been provided information regarding advance directives. This was not in compliance with the organizational policy "Health Care Decision Making/Advance Directives OP20-10.08 current as of June 2015. Education of advance directives and pilot program for implementation in outpatient Oncology is to take place in September. Observed in Individual Tracer at Vanderbilt Ingram Cancer Center - Franklin (2107 Edward Curd Lane, Franklin, TN) site for the Hospital deemed service. During review of the medical record of a radiation oncology patient, there was no evidence that the patient had an advance directive or had been provided information regarding advance directives. This was not in compliance with the organizational policy "Health Care Decision Making/Advance Directives OP20-10.08 current as of June 2015. Education of advance directives and pilot program for implementation in outpatient Oncology is to take place in September. Observed in Individual Tracer at Vanderbilt Medical Group at Green Hills - Bedford Ave. (3810 Bedford Ave., Suite 100, Nashville, TN) site for the Hospital deemed service. During review of the medical record of an infusion patient, there was no evidence that the patient had an advance directive or had been provided information regarding advance directives.

This was not in compliance with the organizational policy "Health Care Decision Making/Advance Directives OP20-10.08 current as of June 2015. Education of advance directives and pilot program for implementation in outpatient Oncology is to take place in September.

Elements of Performance:

9. The hospital documents whether or not the patient has an advance directive.

Scoring Category: C

Corrective Action Taken:

WHO:

Chief Nursing Officer of VUH and VMG.

WHAT:

Nursing Administrative Directors discussed process for documenting evidence that patient has an advanced directive or was given information. Process approved at the Advanced Directives Implementation Committee meeting. Electronic Clinic Intake Form revised to include Advanced Directive question. A memo was sent by VUH and VMG Chief Nursing Officer to VMG clinic managers regarding process to include question on electronic clinic intake form and audit to measure compliance. Training document developed to aid outpatient staff in what questions to ask patients, where to document the conversation and how to obtain Advanced Care Plan documents to give patients who request these. Education using the training document was completed for all necessary outpatient staff to include staff where observations occurred during onsite visit (Vanderbilt Medical Group at Coolsprings Blvd., Vanderbilt Ingram Cancer Center and Vanderbilt Medical Group at Green Hills). Staff trained on revised electronic clinic intake form. Implemented revised electronic clinic intake form in the outpatient settings.

WHEN:

8/24/2015: Nursing Administrative Directors meeting held to discuss process for documenting evidence that patient has an advanced directive or was given information. 9/2/2015: Process approved at the Advanced Directives Implementation Committee meeting. By 9/23/2015: Electronic clinic intake form was revised. 9/18/2015: A memo was sent by the VUH and VMG Chief Nursing Officer to VMG clinic managers regarding process to include question on electronic clinic intake form and audit to measure compliance. 9/11/2015: Training document developed to aid outpatient staff in what questions to ask patients, where to document the conversation and how to obtain Advanced Care Plan documents to give patients who request these. By 9/23/2015: Education was completed for all necessary outpatient staff to include staff where observations occurred during onsite visit (Vanderbilt Medical Group at Coolsprings Blvd., Vanderbilt Ingram Cancer Center and Vanderbilt Medical Group at Green Hills). By 9/23/2015: Staff were trained on revised clinic electronic intake form. By 9/23/2015: Revised clinic electronic intake form was implemented in the outpatient settings.

HOW:

Quality, Safety and Risk Prevention Department will perform random monthly medical record reviews of the clinic intake form for ongoing compliance of documentation for evidence the patient has an advance directive or provided information on advance directive.

Evaluation Method: Quality, Safety and Risk Prevention Department will randomly audit 70 outpatient medical records for four consecutive months. The data will be reported to the Outpatient Nursing Leadership Board. Numerator: # of outpatient medical records compliant for documentation evidence that patient has an advance directive or was

given information. Denominator: # of electronic outpatient medical records reviewed (70)

Measure of Success Goal (%): 90

HAP Standard UP.01.03.01 A time-out is performed before the procedure.

Findings: EP 2 Observed in Individual Tracer at Vanderbilt at One Hundred Oaks (719 Thompson Lane, Nashville, TN) site. During an observation of a pain procedure with moderate sedation, the time out was conducted and included the attending physician, RN, radiology technician and patient. An anesthesia fellow joined the procedure after the time out was performed and proceeded to complete a major portion of the procedure. There was no additional time out completed when this physician joined the team.

Elements of Performance:

2. The time-out has the following characteristics: - It is standardized, as defined by the hospital. - It is initiated by a designated member of the team. - It involves the immediate members of the procedure team, including the individual performing the procedure, the anesthesia providers, the circulating nurse, the operating room technician, and other active participants who will be participating in the procedure from the beginning.

Scoring Category: A

Corrective Action Taken:

WHO:

Associate Nursing Officer – Surgery Patient Care Center

WHAT:

The Universal Protocol - Identification of Correct Patient, Procedure, Site/Side CL 30-04.16 policy was developed and endorsed by the Clinical Practice Committee, and the Medical Center Medical Board. The time-out process is addressed in the policy in the following manner: "B. Time-out 1. Conduct a time-out immediately before starting the invasive procedure or making the incision with all relevant members of the team focused on the active verbal confirmation of the correct patient, procedure, and site/side" Attending physician as well as the Fellow were counseled one-on-one regarding time-out compliance requirement per policy by the Chief - Division of Pain Medicine. Time-out policy was reviewed with all staff and faculty in the Pain Clinic by the Manager of Vanderbilt Preoperative Evaluation Center (VPEC) & Interventional Pain Clinic. The reeducation of providers to the time-out requirement was completed via electronic communication from the Chief of Staff for Vanderbilt Health Services. This reeducation included situations in which an additional proceduralist joins the procedure after the time-out is performed, the time-out is repeated.

WHEN:

The Universal Protocol - Identification of Correct Patient, Procedure, Site/Side CL 30-04.16 policy was developed and endorsed by the Clinical Practice Committee, and the Medical Center Medical Board 7/2015. Attending physician as well as the Fellow were counseled one-on-one regarding time-out compliance requirement per policy on 7/23/2015. Time-out policy reviewed with all staff and

faculty in Pain Clinic on 7/23/2015. The reeducation of providers to the time-out requirement was completed via electronic communication from the Chief of Staff for Vanderbilt Health Services on 9/1/2015.

HOW:

Random observations by clinic manager in One Hundred Oaks Pain clinic procedural area will be conducted for compliance on time-out process. Non-compliance will be addressed by Patient Care Center Leadership.

Proof of Publication

State of Tennessee
Health Services and Development Agency
Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

June 1, 2017

Ginna Felts
Vice President Business Development
1211 Medical Center Drive
Nashville, TN 37203

RE: Certificate of Need Application -- Vanderbilt University Medical Center - CN1705-016
The acquisition of a dedicated pediatric MRI located on the campus of Vanderbilt University Medical Center located at 1211 Medical Center Drive, Nashville, TN 37232. The estimated project cost is $5,097,233.77.

Dear Ms. Felts:

This is to acknowledge the receipt of supplemental information to your application for a Certificate of Need. Please be advised that your application is now considered to be complete by this office.

Your application is being forwarded to Trent Sansing at the Tennessee Department of Health for Certificate of Need review by the Division of Policy, Planning and Assessment. You may be contacted by Mr. Sansing or someone from his office for additional clarification while the application is under review by the Department. Mr. Sansing's contact information is Trent.Sansing@tn.gov or 615-253-4702.

In accordance with Tennessee Code Annotated, §68-11-1601, et seq., as amended by Public Chapter 780, the 30-day review cycle for **CONSENT CALENDAR** for this project will begin on June 1, 2017. The first thirty (30) days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the thirty (30)-day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review within the thirty (30)-day period immediately following. You will receive a copy of their findings. The Health Services and Development Agency will review your application on August 23, 2017.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

(4) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.

(5) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,

Melanie M. Hill
Executive Director

cc: Trent Sansing, TDH/Health Statistics, PPA

State of Tennessee
Health Services and Development Agency
Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

MEMORANDUM

TO: Trent Sansing, CON Director
Office of Policy, Planning and Assessment
Division of Health Statistics
Andrew Johnson Tower, 2nd Floor
710 James Robertson Parkway
Nashville, Tennessee 37243

FROM: Melanie M. Hill
Executive Director

DATE: June 1, 2017

RE: Certificate of Need Application
Vanderbilt University Medical Center - CN1705-016
CONSENT CALENDAR

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a **CONSENT CALENDAR** thirty (30) day review period to begin on June 1, 2017 and end on July 1, 2017.

Should there be any questions regarding this application or the review cycle, please contact this office.

Enclosure

cc: Ginna Felts

State of Tennessee
Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

LETTER OF INTENT

The Publication of Intent is to be published in the Tennessean (Name of Newspaper) which is a newspaper of general circulation in Davidson (County), Tennessee, on or before May 10 (Month / day), 20 17 (Year), for one day.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that:

Vanderbilt University Medical Center (Name of Applicant) Hospital (Facility Type-Existing)

owned by: Vanderbilt University Medical Center with an ownership type of Corporation, Not-for-profit

and to be managed by: Vanderbilt University Medical Center intends to file an application for a Certificate of Need for [PROJECT DESCRIPTION BEGINS HERE]: the acquisiton of a dedicated pediatric MRI located on the campus of Vanderbilt University Medical Center located at 1211 Medical Center Drive, Nashville, TN 37232. The project cost will be $3,054,052.65.

This project will not affect the number of licensed beds at Vanderbilt University Medical Center or involve any other service for which a certificate of need is required.

The anticipated date of filing the application is: May 15, 20 17

The contact person for this project is Ginna Felts, Vice-President, Business Development (Contact Name) (Title)

who may be reached at: Vanderbilt University Medical Center (Company Name) 3319 West End Avenue, Suite 920 (Address)

Nashville (City) TN (State) 37203 (Zip Code) 615 / 936-6005 (Area Code / Phone Number)

C. Wright Pinson, MBA, M.D. Deputy CEO 5/8/17 (Date) ginna.rader@vanderbilt.edu (E-mail Address)

The Letter of Intent must be filed in triplicate and received between the first and the tenth day of the month. If the last day for filing is a Saturday, Sunday or State Holiday, filing must occur on the preceding business day. File this form at the following address:

Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

Supplemental- #1
-COPY-

Vanderbilt University Medical Center

CN1705-016

State of Tennessee
Health Services and Development Agency
Andrew Jackson Building, 9th Floor
www.tn.gov/hsda Phone: 615-741-2364/Fax: 615-741-9884

SUPPLEMENTAL #1
May 23, 2017
2:22 pm

May 23, 2017

Ginna Felts
Vice President, Business Development
Vanderbilt University Medical Center
3319 West End Ave., Suite 920
Nashville, TN 37203

RE: Certificate of Need Application CN1705-016
Vanderbilt University Hospitals

Dear Ms. Felts:

This will acknowledge our May 15, 2017 receipt of your application for a Certificate of Need for the acquisition of a dedicated pediatric magnetic resonance imaging (MRI) scanner to be located on the campus of Vanderbilt University Medical Center.

Several items were found which need clarification or additional discussion. Please review the list of questions below and address them as indicated. The questions have been keyed to the application form for your convenience. I should emphasize that an application cannot be deemed complete and the review cycle begun until all questions have been answered and furnished to this office.

Please submit responses in triplicate by 4:00 p.m., May 23, 2017. If the supplemental information requested in this letter is not submitted by or before this time, then consideration of this application may be delayed into a later review cycle.

---

1. **Section A, Executive Summary**

   How is the space proposed for the additional MRI unit currently being utilized? What is the square footage of this space? Will the proposed MRI unit displace another service? If yes, where will this service relocate?

   RESPONSE: The space is currently being used for Nuclear Medicine and administrative office space and is approximately 1,976 gross square feet. A new Nuclear Medicine suite will be built out in a shell space within the Radiology department on 1st floor of Monroe Carell Jr. Children's Hospital at Vanderbilt (MCJCHV).

   Will there be no renovation or construction cost associated with this project?

   RESPONSE: Yes.

   Please provide a response to all of the questions above.

SUPPLEMENTAL #1
May 23, 2017
2:22 pm

2. Section A, Project Details, Item 6B1)-Plot Plan

Please identify on the plot plan where the MRI unit will be located.

RESPONSE: Please find the attached plot plan showing the Monroe Carell Jr Children's Hospital at Vanderbilt with a star indicating where the MRI will be placed.

SUPPLEMENTAL #1

May 23, 2017
2:22 pm

VANDERBILT UNIVERSITY
Campus Planning & Construction
Facilities Information Services

Total VUMC Acreage = 37.7 acres

Office of Space and Facilities Planning
2019 West End Avenue, Suite 300
Nashville, TN 37203-1090 (Internal 6103)
Phone: 615.875.9479
Fax: 615.343.0388

SUPPLEMENTAL #1
May 23, 2017
2:22 pm

3. **Section A, Project Details, Item 9**

What medical group will be providing interpretation services? Will professional fees for MRI interpretation services by the identified radiologists be reimbursed by the applicant? If billing separately under their own provider certification/registration numbers, what assurances apply such that the radiologists will hold Medicare and Medicaid provider certification and will be contracted with the same TennCare MCO plans as the applicant? Please briefly discuss the arrangements planned in this regard.

RESPONSE: Vanderbilt University Medical Center (VUMC) owns the Vanderbilt University Hospital, the Monroe Carell Jr. Children's Hospital at Vanderbilt, and Vanderbilt Psychiatric Hospital. These facilities operate under one hospital license as VUMC. In addition, VUMC includes the Vanderbilt Medical Group (VMG), which is comprised of 2200+ professional practice. VUMC has a single Tax Identification Number, utilized by all VUMC entities. VUMC contracts with Managed Care Payors for facilities and professional group. Neither the facilities nor the professional practice contract separately; therefore, any Managed Care Payor contract, including Medicare Advantage and TennCare, includes these facilities and the professional practice. VMG provides, among the other health care services, both pediatric and adult radiology services and bills for the professional component of the interpretation.

4. **Section A, Project Details, Item 10.C.**

Your response to this item is noted. Please revise your response in the **"Total Licensed Beds Approved"** Column to reflect only the new additional licensed beds associated with that project.

RESPONSE: Please find the updated chart below.

CON Number(s)	CON Expiration Date	Total Licensed Beds Approved
CN710-075	March 1, 2018	105
CN1406-021	November 1, 2020	108
CN1602-010	June 1, 2019	0

5. **Section A, Project Details, Item 13.A and Section B, Economic Feasibility, Item 1 (Project Cost Chart).**

Does the $2,396,312.40 equipment cost listed here and in the Project Cost Chart include the following:

1. maintenance agreements, covering the expected useful life of the equipment;

2. federal, state, and local taxes and other government assessments and

3. installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding."

If not, please submit a replacement page and a revised Project Cost Chart that reflects these expenses.

RESPONSE: Please see the updated project cost chart. In addition, please accept the difference in filing fee of $11,681.12.

SUPPLEMENTAL #1
May 23, 2017
2:22 pm

PROJECT COST CHART

A.	Construction and equipment acquired by purchase:		
	1.	Architectural and Engineering Fees	$181,500.00
	2.	Legal, Administrative (Excluding CON Filing Fee), Consultant Fees	$10,000.00
	3.	Acquisition of Site	-
	4.	Preparation of Site	-
	5.	Total Construction Costs	$1,600,000.00
	6.	Contingency Fund	$250,000.00
	7.	Fixed Equipment (Not included in Construction Contract)	-
	8.	Moveable Equipment (List all equipment over $50,000 as separate attachments)	-
	9.	Other (Specify) _____	-
B.	Acquisition by gift, donation, or lease:		
	1.	Facility (inclusive of building and land)	-
	2.	Building only	-
	3.	Land only	-
	4.	Equipment (Specify) MRI	$2,396,312.40
	5.	Other (Specify) 48-Month Service Contract	$ 630,279.84
C.	Financing Costs and Fees:		
	1.	Interim Financing	-
	2.	Underwriting Costs	-
	3.	Reserve for One Year's Debt Service	-
	4.	Other (Specify) _____	-
D.	Estimated Project Cost (A+B+C)		**$5,068,092.24**
E.	CON Filing Fee		$ 29,141.53
F.	Total Estimated Project Cost (D+E)	**TOTAL**	**$5,097,233.77**

6. **Section B, Need, Item 1 (Project Specific Criteria-Magnetic Resonance Imaging 4.)**

   Please contact Alecia Craighead, HSDA Statistical Analyst, regarding preliminary 2016 data for pediatric and adult MRI volumes for your proposed service area counties and provide an assessment of that data.

   RESPONSE: Please find the chart provided below including MRI utilization in the proposed service area for 2016 for Adult (15 years old and older), pediatric (14 years old and younger), and total (all ages). In addition, please note that Clay, Grundy, Houston, Humphreys, Jackson, Moore, Perry, Pickett, Stewart, Trousdale, and Van Buren counties do not provide MRI service.

Source: Health Services and Development Agency
2016 Health Care Providers that Utilize MRI's - Adult and Pediatric Utilization (Preliminary)

Provider	Unit Type	MRI Units	MRI Procedures
Total - Bedford County	Adult	1	1,287
	Pediatric	1	31
	Total	1	1,318
Total - Cannon County	Adult	1	270
	Pediatric	1	1
	Total	1	271
Total - Cheatham County	Adult	0.4	227
	Pediatric	0.4	1
	Total	0.4	228
Total - Coffee County	Adult	1	2,255
	Pediatric	1	25
	Total	1	2,280
Total - Cumberland County	Adult	2	4,251
	Pediatric	2	31
	Total	2	4,282
Total - Davidson County	Adult	44.5	133,335
	Pediatric	44.5	8,651
	Total	44.5	141,986
Total - DeKalb County	Adult	1	603
	Pediatric	1	16
	Total	1	619
Total - Dickson County	Adult	3	5,164
	Pediatric	3	63
	Total	3	5,227
Total - Franklin County	Adult	2	2,806
	Pediatric	2	35
	Total	2	2,841
Total - Giles County	Adult	1	908
	Pediatric	1	47
	Total	1	955
Total - Hickman County	Adult	0.2	60
	Pediatric	0.2	-
	Total	0.2	60
Total - Lawrence County	Adult	1	1,279
	Pediatric	1	21
	Total	1	1,300
Total - Lewis County	Adult	0.2	412
	Pediatric	0.2	2
	Total	0.2	414
Total - Lincoln County	Adult	1	1,163
	Pediatric	1	15
	Total	1	1,178
Total - Macon County	Adult	1	695
	Pediatric	1	-
	Total	1	695
Total - Marshall County	Adult	1	786
	Pediatric	1	22
	Total	1	808
Total - Maury County	Adult	5	13,175
	Pediatric	5	331
	Total	5	13,506

SUPPLEMENTAL #1

May 23, 2017
2:22 pm

Source: Health Services and Development Agency
2016 Health Care Providers that Utilize MRI's - Adult and Pediatric Utilization (Preliminary)

Provider	Unit Type	MRI Units	MRI Procedures
Total - Montgomery County	Adult	5	10,190
	Pediatric	5	150
	Total	5	10,340
Total - Overton County	Adult	1	886
	Pediatric	1	12
	Total	1	898
Total - Putnam County	Adult	5	15,307
	Pediatric	5	82
	Total	5	15,389
Total - Robertson County	Adult	1	3,005
	Pediatric	1	44
	Total	1	3,049
Total - Rutherford County	Adult	11	31,438
	Pediatric	11	480
	Total	11	31,918
Total - Smith County	Adult	1	548
	Pediatric	1	8
	Total	1	556
Total - Sumner County	Adult	5.2	9,986
	Pediatric	5.2	119
	Total	5.2	10,105
Total - Warren County	Adult	1	1,770
	Pediatric	1	20
	Total	1	1,790
Total - Wayne County	Adult	0.4	746
	Pediatric	0.4	7
	Total	0.4	753
Total - White County	Adult	1	1,356
	Pediatric	1	31
	Total	1	1,387
Total - Williamson County	Adult	5	15,958
	Pediatric	5	376
	Total	5	16,334
Total - Wilson County	Adult	2	6,990
	Pediatric	2	130
	Total	2	7,120
Total - Service Area	Adult	104.9	266,856
	Pediatric	104.9	10,751
	Total	104.9	277,607

7. **Section B, Need. Item 4 (Demographics)**

   Please identify the age range of the target population.

   RESPONSE: The target population of this MRI is pediatric patients 0-18. However, given that MCJCHV is a nationally recognized pediatric hospital, patients with congenital diseases and established relations with their provider are often times followed by pediatric subspecialties through their twenties at MCJCHV.

8. **Section B, Need. Item 5 (Historical MRI Utilization in Applicant's Primary Service Area)**

   As noted earlier, please provide an assessment of preliminary 2016 data for pediatric and adult MRI volumes for your proposed service area counties.

   RESPONSE: Please find the chart providing MRI utilization in the proposed service area for 2016 chart on pages 8 and 9.

9. **Section B, Need, Item 6 (Applicant's Historical and Projected Utilization)**

   Please provide similar historical information for the other MRIs located at VUMC.

   RESPONSE: Please find the updated chart below which reflects the six (6) MRIs at VUMC as reported in the medical equipment registries.

	CY14	CY15	CY16
Total On Campus (6 MRI Units)			
Total VUMC Procedures	29,381	30,164	30,797
Procedures per MRI Unit	4,897	5,027	5,133

   Please provide more details on how the historical data and analysis from Sg2 resulted in the determination of 3% growth annually.

   RESPONSE: The annual growth rate at MCJCHV for pediatric MRIs is approximately 6% per year. In addition, the Sg2 study provided subspecialty MRI growth by service line for the next 5 years. On average this growth was approximately 3% per year. As a result of this industry growth rate coupled with annual historical growth rate experienced at MCJCHV, MCJCHV believes these are reasonably conservative projections.

10. Section B, Economic Feasibility Item 1 (Project Costs Chart)

Are all the costs associated with the MRI equipment including installation of the equipment included in the Project Costs Chart? If not, please make the necessary adjustments.

Please explain why there is no renovation costs associated with the new MRI suite.

RESPONSE: Please see the revised project cost chart on page 6.

11. Section B, Economic Feasibility Item 3 (Historical Data Chart)

Please explain why there are no non-operating expenses allocated to the MRI service.

RESPONSE: The current complement of MRI's, both adult and pediatric, are past their useful life, therefore, there is no depreciation or interest expense in the historical data chart. Additionally, the tax exempt status of VUMC is the reason for no associated tax expense.

Please submit a Historical Data Chart for Vanderbilt University Medical Center in total.

Please complete a Historical Data Chart-Other Expenses for MRI Services and VUMC in total.

RESPONSE: Please find the updated Historical Data Charts for VUMC and MRI provided below. These charts include the breakout of Other Expenses.

SUPPLEMENTAL #1

May 23, 2017
2:22 pm

VUMC HISTORICAL DATA CHART

	2014	2015	2016
Utilization Data (Patient Days)	301,655	305,953	309,173
A. Revenues from Services to Patients			
1. Inpatient Services	$3,117,433,787	$3,357,544,947	$3,895,270,022
2. Outpatient Services	$2,657,364,290	$3,043,106,365	$3,668,282,596
3. Emergency Services	$251,984,557	$271,179,568	$273,729,532
4. Other Operating Revenue	$18,786,489	$23,650,047	$39,131,317
Gross Operating Revenue	$6,045,569,123	$6,695,480,927	$7,876,413,467
B. Deductions from Gross Operating Revenue			
1. Contractual Adjustments	(3,596,062,670)	(4,143,680,213)	(5,067,956,904)
2. Provision for Charity Care	(343,156,255)	(297,840,450)	(268,739,919)
3. Provisions for Bad Debt	(77,107,701)	(28,094,171)	(56,768,208)
Total Deductions	(4,016,326,626)	(4,469,614,834)	(5,393,465,031)
Net Operating Revenue	$2,029,242,497	$2,225,866,093	$2,482,948,436
D. Operating Expenses			
1. Salaries and Wages			
a. Direct Patient Care	$288,288,218	$313,972,671	$318,149,846
b. Non-Patient Care	$274,386,265	$268,960,254	$307,493,692
2. Physician's Salaries and Wages	$120,052,288	$134,390,817	$149,278,555
3. Supplies	$469,442,062	$537,997,860	$590,516,375
4. Rent			
a. Paid to Affiliates			$1,137,208
b. Paid to Non-Affiliates	$18,999,735	$23,365,060	$17,765,104
Management Fees			
a. Paid to Affiliates			
b. Paid to Non-Affiliates			
Other Operating Expenses	$612,785,261	$622,311,499	$709,284,026
Total Operating Expenses	$1,783,953,829	$1,900,998,161	$2,093,624,806
E. Earnings Before Interest, Taxes and Depreciation	$245,288,668	$324,867,932	$389,323,630
F. Non-Operating Expenses			
1. Taxes	$511,012	$1,398,512	$1,168,485
2. Depreciation	$66,387,238	$63,755,020	$61,782,354
3. Interest	$51,071,000	$52,746,873	$44,013,121
4. Other Non-Operating Expenses	(1,108,599)	(30,269,068)	(1,553,366)
Total Non-Operating Expenses	$116,860,651	$87,631,337	$105,410,594
Net Income (loss)	$128,428,017	$237,236,595	$283,913,036
G. Other Deductions			
1. Annual Principal Debt Repayment	$25,848,241	$21,659,698	$17,851,907
2. Annual Capital Expenditures	$45,870,543	$45,618,640	$51,560,642
Total Other Deductions	$71,718,784	$67,278,338	$69,412,549
Net Balance	$56,709,233	$169,958,257	$214,500,487
Depreciation	$66,387,238	$63,755,020	$61,782,354
Free Cash Flow (Net Balance + Depreciation)	$123,096,471	$233,713,277	$276,282,841

SUPPLEMENTAL #1
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HISTORICAL DATA CHART

	2014	2015	2016
OTHER EXPENSE CATEGORIES			
1. General and Administrative	$ 264,151,315	$ 264,638,505	$ 317,767,605
2. Fringe Benefits	$ 159,499,766	$ 165,037,898	$ 187,770,689
3. Interest/ Lease	$ -	$ -	$ -
4. Equipment and Machinery	$ 5,549,843	$ 6,875,270	$ 9,484,344
5. Laundry and Housekeeping	$ -	$ -	$ -
6. Plant Operations	$ 104,112,305	$ 88,618,676	$ 86,943,388
7. Purchased Services	$ 79,472,032	$ 97,141,150	$ 107,318,000
Total Other Expense	$ 612,785,261	$ 622,311,499	$ 709,284,026

SUPPLEMENTAL #1

May 23, 2017
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X Total Facility MRI
□ Project Only

HISTORICAL DATA CHART

Give information for the last *three (3)* years for which complete data are available for the facility or agency. The fiscal year begins in July (Month).

		2014	2015	2016
A.	Utilization Data (Specify unit of measure, e.g., 1,000 patient days, 500 visits) **MRI procedures**	29,555	30,403	31,180
B.	Revenue from Services to Patients			
1.	Inpatient Services	$27,215,795	$26,794,830	$32,152,124
2.	Outpatient Services	78,895,667	76,804,996	95,615,988
3.	Emergency Services			
4.	Other Operating Revenue (Specify)_____			
	Gross Operating Revenue	$106,111,462	$103,599,826	$127,768,112
C.	Deductions from Gross Operating Revenue			
1.	Contractual Adjustments	$88,620,485	$86,554,332	$106,620,171
2.	Provision for Charity Care	4,695,000	4,585,536	5,648,601
3.	Provisions for Bad Debt	961,627	939,208	1,156,942
	Total Deductions	$ 94,277,112	$92,079,076	$113,425,714
NET OPERATING REVENUE		$ 11,834,350	$11,520,749	$14,342,398
D.	Operating Expenses			
1.	Salaries and Wages			
a.	Direct Patient Care	$2,316,305	$2,430,863	$2,807,336
b.	Non-Patient Care			
2.	Physician's Salaries and Wages			
3.	Supplies	331,819	376,959	510,640
4.	Rent			
a.	Paid to Affiliates			
b.	Paid to Non-Affiliates			
5.	Management Fees:			
a.	Paid to Affiliates			
b.	Paid to Non-Affiliates			
6.	Other Operating Expenses	826,763	819,940	819,940
	Total Operating Expenses	$3,474,887	$ 3,627,762	$ 4,137,916
E.	Earnings Before Interest, Taxes and Depreciation	$ 8,359,463	$7,892,987	$10,204,482
F.	Non-Operating Expenses			
1.	Taxes			
2.	Depreciation			
3.	Interest			
4.	Other Non-Operating Expenses			

Total Non-Operating Expenses $-	$-		
NET INCOME (LOSS)	$ 8,359,463	$7,892,987	$10,204,482

Chart Continues Onto Next Page

NET INCOME (LOSS)	$ 8,359,463	$7,892,987	$10,204,482
G. Other Deductions			
1. Annual Principal Debt Repayment			
2. Annual Capital Expenditure			
Total Other Deductions			
NET BALANCE			
DEPRECIATION			
FREE CASH FLOW (Net Balance + Depreciation)	$ 8,359,463	$7,892,987	$10,204,482

X Total Facility MRI
□ Project Only

HISTORICAL DATA CHART-OTHER EXPENSES

OTHER EXPENSES CATEGORIES	2014	2015	2016
1. Equipment and Machinery (service contracts)	$826,763	$,819,940	$819,940
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
7. _____	_____	_____	_____
Total Other Expenses	$826,763	$,819,940	$819,940

12. Section B, Economic Feasibility Item 4 (Projected Data Chart)

Please explain why there are no non-operating expenses allocated to the pediatric MRI unit.

RESPONSE: The funding for the pediatric MRI unit will be an operational lease, therefore, there is no depreciation or interest expense in the projected data chart. Additionally, the tax exempt status of VUMC is the reason for no associated tax expense.

Please submit a Projected Data Chart for Vanderbilt University Medical Center in total and one for total MRI services including a completed Other Expense chart for both.

RESPONSE: Please find the updated Projected Data Charts for VUMC and MRI provided below. These charts include the breakout of Other Expenses.

SUPPLEMENTAL #1
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PROJECTED DATA CHART

		2019	2020
	Utilization Data (Patient Days)	309,173	342,364
A.	Revenues from Services to Patients		
1.	Inpatient Services	$3,895,672,709	$4,422,438,131
2.	Outpatient Services	$3,677,347,561	$3,680,410,894
3.	Emergency Services	$273,729,532	$273,729,532
4.	Other Operating Revenue	$39,131,317	$39,131,317
	Gross Operating Revenue	$7,885,881,119	$8,415,709,874
B.	Deductions from Revenue		
1.	Contractual Adjustments	(5,075,797,050)	(5,394,412,054)
2.	Provision for Charity Care	(268,864,664)	(310,740,981)
3.	Provisions for Bad Debt	(56,779,055)	(60,023,385)
	Total Deductions	(5,401,440,769)	(5,765,176,420)
	Net Operating Revenue	$2,484,440,350	$2,650,533,454
D.	Operating Expenses		
1.	Salaries and Wages		
	a. Direct Patient Care	$318,590,918	$355,071,584
	b. Non-Patient Care	$307,493,692	$307,493,692
2.	Physician's Salaries and Wages	$149,278,555	$149,278,555
3.	Supplies	$590,533,759	$617,640,982
4.	Rent		
	a. Paid to Affiliates	$1,137,208	$1,137,208
	b. Paid to Non-Affiliates	$17,765,104	$17,765,104
	Management Fees		
	a. Paid to Affiliates		
	b. Paid to Non-Affiliates		
	Other Operating Expenses	$709,895,374	$762,935,526
	Total Operating Expenses	$2,094,694,610	$2,211,322,651
E.	Earnings Before Interest, Taxes and Depr	$389,745,740	$439,210,803
F.	Non-Operating Expenses		
1.	Taxes	$1,168,485	$1,168,485
2.	Depreciation	$61,782,354	$67,158,579
3.	Interest	$44,013,121	$49,057,121
4.	Other Non-Operating Expenses	(1,553,366)	(1,553,366)
	Total Non-Operating Expenses	$105,410,594	$115,830,819
	Net Income (loss)	$284,335,146	$323,379,984
G.	Other Deductions		
1.	a. Annual Principal Debt Repayment	$17,851,907	$20,563,907
2.	b. Annual Capital Expenditures	$51,560,642	$51,560,642
	Total Other Deductions	$69,412,549	$72,124,549
	Net Balance	$214,922,597	$251,255,435
	Depreciation	$61,782,354	$67,158,579
	Free Cash Flow (Net Balance + Depreciation)	$276,704,951	$318,414,014

SUPPLEMENTAL #1

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PROJECTED DATA CHART - OTHER EXPENSES

		2019	2020
1.	General and Administrative	$317,767,605	$359,520,786
2.	Fringe Benefits	$187,770,689	$193,272,221
3.	Interest/ Lease	$0	$0
4.	Equipment and Machinery	$9,484,344	$13,845,819
5.	Laundry and Housekeeping	$0	$0
6.	Plant Operations	$86,943,388	$88,367,352
7.	Purchased Services	$107,318,000	$107,318,000
		$ 709,284,026	$ 762,324,178

SUPPLEMENTAL #1
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PROJECTED DATA CHART

☐ Total Facility
X Project Only

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in _____ (Month).

		2019	2020
A.	Utilization Data (Specify unit of measure, e.g., 1,000 patient days, 500 visits) MRI procedures	2,131	2,818
B.	Revenue from Services to Patients		
1.	Inpatient Services	$402,687	$406,714
2.	Outpatient Services	$9,064,965	$12,128,298
3.	Emergency Services		
4.	Other Operating Revenue (Specify)_____		
	Gross Operating Revenue	$9,467,652	$12,535,012
C.	Deductions from Gross Operating Revenue		
1.	Contractual Adjustments	$7,840,416	$10,332,662
2.	Provision for Charity Care	124,745	164,398
3.	Provisions for Bad Debt	10,847	14,295
	Total Deductions	$7,976,008	$10,511,355
NET OPERATING REVENUE		$1,491,644	$2,023,657
D.	Operating Expenses		
1.	Salaries and Wages		
a.	Direct Patient Care	$441,072	$452,539
b.	Non-Patient Care		
2.	Physician's Salaries and Wages		
3.	Supplies	$17,384	$23,916
4.	Rent		
a.	Paid to Affiliates		
b.	Paid to Non-Affiliates		
5.	Management Fees:		
a.	Paid to Affiliates		
b.	Paid to Non-Affiliates		
6.	Other Operating Expenses	$611,348	$611,348
	Total Operating Expenses	$1,069,804	$1,087,803
E.	**Earnings Before Interest, Taxes and Depreciation**	$421,840	$935,854
F.	Non-Operating Expenses		
1.	Taxes		
2.	Depreciation		
3.	Interest		
4.	Other Non-Operating Expenses		
	Total Non-Operating Expenses	$0	$0
NET INCOME (LOSS)		$421,840	$935,854

Chart Continues Onto Next Page

SUPPLEMENTAL #1
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NET INCOME (LOSS)	$421,840	$935,854
G. Other Deductions		
1. Estimated Annual Principal Debt Repayment		
2. Annual Capital Expenditure		
Total Other Deductions	$0	$0
NET BALANCE		
DEPRECIATION	$0	
FREE CASH FLOW (Net Balance + Depreciation)	$421,840	$935,854

□ Total Facility
X Project Only

PROJECTED DATA CHART-OTHER EXPENSES

OTHER EXPENSES CATEGORIES	2019	2020
1. Interest/Lease	$453,778	$453,778
2. Equipment and Machinery (service contract)	$157,570	$157,570
Total Other Expenses	$611,348	$611,348

SUPPLEMENTAL #1
May 23, 2017
2:22 pm

13. Section B, Economic Feasibility Item 5.C.

Your response to this item is noted. Please compare the projected average gross charge per procedure for the project to the Gross Charge/Procedure Range by Quartile for all MRI providers, which can be found in the Applicant's Toolbox on the HSDA website.

RESPONSE: By comparing VUMC's data provided in the application in Section B, Economic Feasibility Item 5.C. to the Applicant's Toolbox, By Quartiles, VUMC's Average Charge per Procedure of $3,753 is less than the 3rd quartile $3,939.52.

14. Section B, Economic Feasibility Item 8.

Is the staffing chart for the total pediatric MRI service only or the total (adult + pediatric) MRI service?

RESPONSE: The staffing provided in the chart is only for pediatric MRI.

15. Section B, Economic Feasibility Item 9

Please explain why the alternatives of status quo or sharing time with an adult MRI were not considered.

RESPONSE: Neither remaining status quo nor sharing with VUH were considered because they are not realistic options. Remaining status quo is not in the best interest of the patients and families that choose to seek pediatric care at MCJCHV. In FY16, the two MRIs at MCJCHV performed 8,530 procedures, or approximately 4,265 per MRI. These two pediatric MRIs are operating well over the total capacity of 3,600 procedures per machine (as well as the optimal capacity of 2,880 annual procedures standard) that the State Health Plan uses as a guideline for adding MRI capacity.

In addition, it is important to note that when it comes to diagnostic imaging, pediatric needs differ from adults. They need extra safeguards and care, not to mention that MCJCHV is across the VUMC campus from VUH. Transporting pediatric patients back and forth between hospitals is an unrealistic expectation. Pediatric patients need to be treated in the pediatric hospital where they have access to the pediatric subspecialty physicians and dedicated pediatric resources.

SUPPLEMENTAL #1
May 23, 2017
2:22 pm

16. Section B, Orderly Development Item 2.

What is the current average waiting time for a pediatric MRI?

RESPONSE: MCJCHV measures wait time using the number of days before the 3rd available appointment. For the last full calendar year, that measure ranged from 6 to 10 days. We are, however, currently utilizing 90% or more of our schedule capacity with no additional opportunity to expand the schedule, which creates difficulty accommodating urgent add-ons without significant disruption.

Even though VUMC has the only dedicated pediatric MRI service in the service area, there are other providers in the service area providing pediatric MRI services. Please explain why the proposed project will not have a significant negative impact on those providers.

RESPONSE: Similar to current practice, the vast majority of MRI procedures completed at MCJCHV are generated from subspecialty visits originating on campus. The incremental growth in MRI procedures will originate from the pediatric patients who need to coordinate imaging services with their subspecialty visits and would be unlikely to schedule MRIs with other providers.

17. Section B, Orderly Development Item 3.

Does VUMC currently have vacancies in RN, CRNA, and/or MRI Tech. positions? If yes, how many?

RESPONSE: There are currently no vacancies for these positions in pediatric MRI.

18. Section B, Orderly Development Item 6.A.and B.

Please include information pertaining to CN1612-040, Walgreens Infusion and Respiratory Services, LLC d/b/a Vanderbilt HC/Walgreens IV &RT Services since Vanderbilt has an ownership interest.

SUPPLEMENTAL #1
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RESPONSE: Please see the updated chart to include CN1612-040 as requested. The CN1612-040 Walgreens Infusion and Respiratory Services, LLC d/b/a Vanderbilt HC/Walgreens IV &RT Services project **has been completed and final project report should be filed soon.**

Outstanding Projects					
CON Number	Project Name	Date Approved	*Annual Progress Report(s)		Expiration Date
			Due Date	Date Filed	
CN710-075	Monroe Carell Jr. Children's Hospital at Vanderbilt	1/23/2008	3/1/2017	2/23/2017	March 1, 2018
CN1406-021	Vanderbilt University Hospitals	9/24/2014	11/1/2016	10/25/2016	November 1, 2020
CN1602-010	Vanderbilt University Medical Center	4/27/2016	6/1/2017	5/10/2017	June 1, 2019
CN1612-040	Walgreens Infusion and Respiratory Services, LLC d/b/a Vanderbilt HC/Walgreens IV & RT Services	2/22/2017	4/1/2018	N/A	April 1, 2019

19. Section B, Orderly Development Item 7.A.and B.

These items refer to all fixed and mobile equipment owned or leased by the applicant and its satellite facilities. Please provide a revised response to these items.

RESPONSE: VUMC does not own, lease, operate or contract with a mobile vendor for Computed Tomography scanner (CT), Linear Accelerator, Magnetic Resonance Imaging (MRI), and/or Positron Emission Tomographer (PET).

VUMC did submit the Medical Equipment Registration to the HSDA on March 22, 2017 for all major medical equipment. The 2016 report is attached.

SUPPLEMENTAL #1
May 23, 2017
2:22 pm

Hygrell, Jennifer A

From: Alecia L. Craighead <Alecia.L.Craighead@tn.gov>
Sent: Wednesday, March 22, 2017 3:08 PM
To: Felts, Ginna; Hygrell, Jennifer A
Subject: Confirmation Final

Ginna and Jennifer,

I have received the updated medical equipment registrations for Vanderbilt University Medical Center (a few changes reported), Vanderbilt Bone and Joint (a few more changes reported), and One Hundred Oaks Breast Center (yea, correct). I have also received their utilization by county. With these submissions and the previously submitted utilization by payor source which included the pediatric MRI utilization, you have completed this year's update and fulfilled the legislative mandate.

Congratulations! You have survived yet another wacky and upside down year of medical equipment updates. Between driving through data muck and dodging hungry cyber piranhas that were staring at you, you managed to emerge victorious and clean as a whistle. (How clean is that actually?) Anyway, I am very impressed.

Thank you so very much for all of your help with these.

I hope you have a great and exciting rest of 2017.

Thanks again.

Alecia

Alecia L. Craighead
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Health Services and Development Agency
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Health Services and Development Agency
Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364/Fax: 615-741-9884

Year: 2016

Date Submitted: 3/1/2017

MEDICAL EQUIPMENT UTILIZATON CHART

Provider Name : Vanderbilt University Medical Center County: Davidson Contact Person: Ginna Felts

Equipment with Applicable CPT Code & (Level II)	How Many	Utilization	Medicare	TennCare/ Medicaid	Managed Care & Commercial	Self-Pay/ Other	Total
CT	10	Procedures	22,130	15,315	46,294	14,336	98,075
0042T,70450,70460,70470,70480-70482,70486-70488,70490-70492,70496,70498,71250,71260,71270, 71275,72125-72133,72191-72194, 73200-73202, 73206,73700-73702, 73706, 74150, 74160, 74170,74174-74178,74261-74263,75571-75574,75635, 76380,76497,77011-77014, 77078, 78072 (G0297, S8032, S8092)		Gross Charges	$65,768,167	$43,996,482	$138,204,078	$42,039,654	$290,008,381
Linear Accelerator	4	Treatments	7,512	1,442	16,309	3,889	29,152
61796-61799, 63620, 63621, 77372, 77373, 77385, 77386, 77401. 77402, 77407, 77412, 77422-77425 (G0173, G0251, G0339, G0340, G6003-G6015, S8049)		Gross Charges	$18,772,114	$2,652,679	$36,583,066	$10,416,071	$68,423,930
□ Cyberknife □ Gamma Knife □ Proton Therapy (Check One)		Treatments					
61796-61799,63620,63621,77371-77373, 77402, 77407, 77412 (G0173, G0251, G0339, G0340)		Gross Charges					
MRI – Fixed Unit (REFLECTS ALL AGES)	6	Procedures	5,373	5,954	16,349	3,121	30,797
70336,70540,70542-70549,70551-70555,70557-70559,71550-71552,71555,72141,72142,72146-72149, 72156-72159,72195-72198,73218-73223,73225,73718-73723,73725,74181-74183,74185, 74712, 74713, 75557,75559, 75561,75563,75565, 76390,76498,77021, 77022, 77058,77059,77084 (C8900-C8914, C8918-C8920, C8931-C8936, S8037, S8042)		Gross Charges	$22,706,095	$24,588,042	$69,390,880	$12,814,793	$129,499,810
MRI – Mobile Unit (_____ per _____)		Procedures					
70336,70540,70542-70549,70551-70555,70557-70559,71550-71552,71555,72141,72142,72146-72149, 72156-72159,72195-72198,73218-73223,73225,73718-73723,73725,74181-74183,74185, 74712, 74713, 75557,75559, 75561,75563,75565, 76390,76498,77021, 77022, 77058,77059,77084 (C8900-C8914, C8918-C8920, C8931-C8936, S8037, S8042)		Gross Charges					
PET – Fixed Unit	2	Procedures	1,002	468	1,890	492	3,852
78459,78491,78492,78608,78609,78811-78816 (G0219,G0235,G0252)		Gross Charges	$5,317,010	$1,101,104	$9,141,664	$2,181,674	$17,741,452
PET – Mobile Unit (_____ per _____)		Procedures					
78459,78491,78492,78608,78609,78811-78816 (G0219,G0235,G0252)		Gross Charges					
Per T.C.A. 68/.11.1607(n)(1)							
MRI – Pediatric Utilization (included in above counts/volumes/charges) *(Pediatric = 14 years old and younger)*	2	Procedures	_____	2,926	3,210	481	6,617
70336,70540,70542-70549,70551-70555,70557-70559,71550-71552,71555,72141,72142,72146-72149, 72156-72159,72195-72198,73218-73223,73225,73718-73723,73725,74181-74183,74185, 74712, 74713, 75557,75559, 75561,75563,75565, 76390,76498,77021, 77022, 77058,77059,77084 (C8900-C8914, C8918-C8920, C8931-C8936, S8037, S8042)		Gross Charges	_____	$11,959,622	$13,217,844	$2,021,910	$27,199,376

One (1) Procedure/Treatment = One (1) billing unit, e.g., ICD9 or ICD10 or CPT or similar financial codes
Inpatient procedure/Treatment = One (1) billable diagnostic event (no simulations or management procedures)
Gross Charges=Charges before deductions from revenue such as contractual allowances, bad debt, and/or charity.

SUPPLEMENTAL #1

May 23, 2017

2:22 pm

Hygrell, Jennifer A

From: Do Not Reply <donotreply@tha.com>
Sent: Tuesday, March 21, 2017 4:41 PM
To: alecia.l.craighead@tn.gov
Cc: Hygrell, Jennifer A
Subject: Equipment Survey - Section 2: Utilization by County

Medical Equiment Utilization Report - Section 2

Date Submitted: 3/21/2017 4:41:21 PM

Facility: Vanderbilt University Hospital (19284)
Comments:
Reporting Period: January, 2016 - December, 2016

County	CT	Linear Accelerator	Cyber Knife	Gamma Knife	MRI	PMRI	PET
Anderson	126	2	0	0	60	21	5
Bedford	1289	369	0	0	297	69	24
Benton	484	203	0	0	97	9	17
Bledsoe	47	0	0	0	5	2	2
Blount	174	79	0	0	86	19	22
Bradley	178	97	0	0	81	16	30
Campbell	73	0	0	0	11	2	1
Cannon	449	64	0	0	83	28	11
Carroll	517	43	0	0	88	26	13
Carter	62	1	0	0	22	9	1
Cheatham	1621	559	0	0	292	62	28
Chester	113	16	0	0	38	4	4
Claiborne	32	0	0	0	19	0	2
Clay	116	19	0	0	25	5	0
Cocke	42	0	0	0	14	16	2
Coffee	1316	399	0	0	289	76	46
Crockett	86	0	0	0	41	3	24
Cumberland	482	187	0	0	131	33	24
Davidson	27178	10438	0	0	5455	1213	583
Decatur	308	90	0	0	52	21	9
DeKalb	508	84	0	0	91	49	10
Dickson	1396	257	0	0	312	66	75
Dyer	178	24	0	0	37	3	7
Fayette	23	0	0	0	7	1	0
Fentress	182	75	0	0	81	41	8
Franklin	660	366	0	0	163	41	37
Gibson	308	80	0	0	93	29	15
Giles	712	248	0	0	150	71	11
Grainger	34	20	0	0	10	9	5
Greene	127	28	0	0	77	20	11
Grundy	179	148	0	0	43	17	8
Hamblen	76	34	0	0	29	14	2
Hamilton	525	110	0	0	203	89	35
Hancock	3	0	0	0	0	0	1

SUPPLEMENTAL #1

May 23, 2017
2:22 pm

Hardeman	75	0	0	0	19	6	4
Hardin	392	81	0	0	62	13	8
Hawkins	65	4	0	0	44	5	15
Haywood	58	34	0	0	20	7	2
Henderson	331	90	0	0	89	20	13
Henry	720	83	0	0	164	33	16
Hickman	795	63	0	0	141	51	16
Houston	305	67	0	0	64	8	10
Humphreys	594	126	0	0	108	39	15
Jackson	188	30	0	0	46	6	5
Jefferson	72	0	0	0	23	20	7
Johnson	28	0	0	0	2	0	0
Knox	685	183	0	0	249	80	58
Lake	6	0	0	0	3	6	2
Lauderdale	59	0	0	0	16	0	2
Lawrence	1288	67	0	0	239	90	31
Lewis	323	24	0	0	58	16	4
Lincoln	512	71	0	0	106	49	43
Loudon	116	69	0	0	57	14	6
McMinn	103	104	0	0	41	6	5
McNairy	247	37	0	0	71	5	10
Macon	413	110	0	0	75	33	30
Madison	568	312	0	0	188	35	26
Marion	31	20	0	0	20	4	1
Marshall	894	71	0	0	196	57	28
Maury	2735	291	0	0	658	284	163
Meigs	48	13	0	0	16	4	2
Monroe	63	30	0	0	26	10	3
Montgomery	4586	488	0	0	1301	428	180
Moore	51	0	0	0	12	7	1
Morgan	26	0	0	0	11	17	4
Obion	197	32	0	0	53	8	9
Overton	307	161	0	0	85	21	14
Perry	234	60	0	0	35	9	8
Pickett	67	24	0	0	17	2	4
Polk	47	10	0	0	10	9	0
Putnam	1467	391	0	0	366	163	61
Rhea	66	25	0	0	47	12	3
Roane	127	19	0	0	46	1	10
Robertson	2076	879	0	0	538	166	63
Rutherford	5544	1603	0	0	1266	535	243
Scott	49	0	0	0	9	4	1
Sequatchie	26	0	0	0	11	6	14
Sevier	147	89	0	0	56	10	2
Shelby	581	9	0	0	114	12	21
Smith	548	65	0	0	114	26	11
Stewart	476	95	0	0	95	16	26
Sullivan	258	88	0	0	123	17	19
Sumner	3539	1590	0	0	956	301	108
Tipton	49	20	0	0	21	0	3
Trousdale	185	80	0	0	38	20	6
Unicoi	22	2	0	0	7	0	8
Union	32	0	0	0	8	1	1

SUPPLEMENTAL #1
May 23, 2017
2:22 pm

Van Buren	26	56	0	0	11	2	2
Warren	708	66	0	0	167	51	20
Washington	196	73	0	0	101	40	21
Wayne	373	80	0	0	79	57	11
Weakley	283	84	0	0	71	8	19
White	403	81	0	0	107	64	14
Williamson	5333	1917	0	0	1493	370	298
Wilson	3007	997	0	0	802	223	86

SUPPLEMENTAL #1
May 23, 2017
2:22 pm

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void." **For this application the sixtieth (60th) day after written notification is July 14, 2017. If this application is not deemed complete by this date, the application will be deemed void.** Agency Rule 0720-10-.03(4) (d) (2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Re-submittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

If all supplemental information is not received and the application officially deemed complete prior to the beginning of the next review cycle, then consideration of the application could be delayed into a later review cycle. The review cycle for each application shall begin on the first day of the month after the application has been deemed complete by the staff of the Health Services and Development Agency.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. ɜ 68-11-1607(d):

(1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.

(2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have any questions or require additional information, please do not hesitate to contact this office.

Sincerely,

Mark A. Farber
Deputy Director
Enclosure

MAY 23 '17 PM2:22

SUPPLEMENTAL #1
May 23, 2017
2:22 pm

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF Davidson

NAME OF FACILITY: Vanderbilt University Medical Center

I, C. Wright Pinson, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

C Wright Pinson
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 17th day of May, 2017, witness my hand at office in the County of _____, State of Tennessee.

Amanda L. Bright
NOTARY PUBLIC

My commission expires 11/05, 2018.

AMANDA L. BRIGHT
STATE OF TENNESSEE NOTARY PUBLIC
DAVIDSON COUNTY
My Commission Expires NOV. 5, 2018

HF-0043

Revised 7/02

Supplemental #2

Vanderbilt University Medical Center

CN1705-016

State of Tennessee
Health Services and Development Agency
Andrew Jackson Building, 9th Floor
www.tn.gov/hsda Phone: 615-741-2364/Fax: 615-741-9884

SUPPLEMENTAL #2
May 30, 2017
9:07am

May 25, 2017

Ginna Felts
Vice President, Business Development
Vanderbilt University Medical Center
3319 West End Ave., Suite 920
Nashville, TN 37203

RE: Certificate of Need Application CN1705-016
Vanderbilt University Hospitals

Dear Ms. Felts:

This will acknowledge our May 23, 2017 receipt of supplemental information to your application for a Certificate of Need for the acquisition of a dedicated pediatric magnetic resonance imaging (MRI) scanner to be located on the campus of Vanderbilt University Medical Center.

Several items were found which need clarification or additional discussion. Please review the list of questions below and address them as indicated. The questions have been keyed to the application form for your convenience. I should emphasize that an application cannot be deemed complete and the review cycle begun until all questions have been answered and furnished to this office.

Please submit responses in triplicate by 12:00 p.m., May 30, 2017. If the supplemental information requested in this letter is not submitted by or before this time, then consideration of this application may be delayed into a later review cycle.

---

1. **Section B, Need, Item 1 (Project Specific Criteria-Magnetic Resonance Imaging 4.)**

   Your response to this item is noted. Please provide this same information for each MRI provider located in Davidson County.

   RESPONSE: Please find the updated chart attached for MRI providers in Davidson County.

SUPPLEMENTAL #2

May 30, 2017

11:07am

1. Section B, Need, Item 1 (Project Specific Criteria-Magnetic Resonance Imaging 4.)
2016 Health Care Providers that Utilize MRI's - Adult and Pediatric Utilization in Davidson County

County	Provider Type	Provider	Unit Type	Number of MRIs	MRI Procedures
Davidson	ODC	Belle Meade Imaging	Adult	1	2,577
Davidson	ODC	Belle Meade Imaging	Pediatric	1	122
Davidson	ODC	Belle Meade Imaging	Total	1	2,699
Davidson	PO	Elite Sports Medicine & Orthopaedic Center	Adult	2	6,585
Davidson	PO	Elite Sports Medicine & Orthopaedic Center	Pediatric	2	274
Davidson	PO	Elite Sports Medicine & Orthopaedic Center	Total	2	6,859
Davidson	PO	Heritage Medical Associates-Murphy Avenue	Adult	1	1,461
Davidson	PO	Heritage Medical Associates-Murphy Avenue	Pediatric	1	-
Davidson	PO	Heritage Medical Associates-Murphy Avenue	Total	1	1,461
Davidson	ODC	Hillsboro Imaging	Adult	1	3,752
Davidson	ODC	Hillsboro Imaging	Pediatric	1	153
Davidson	ODC	Hillsboro Imaging	Total	1	3,905
Davidson	ODC	Hughston Clinic Orthopaedics at Harding Place (fka Premier Orthopaedics & Sports Medicine)	Adult	2	5,131
Davidson	ODC	Hughston Clinic Orthopaedics at Harding Place (fka Premier Orthopaedics & Sports Medicine)	Pediatric	2	25
Davidson	ODC	Hughston Clinic Orthopaedics at Harding Place (fka Premier Orthopaedics & Sports Medicine)	Total	2	5,156
Davidson	ODC	Millennium MRI, LLC	Adult	1	313
Davidson	ODC	Millennium MRI, LLC	Pediatric	1	-
Davidson	ODC	Millennium MRI, LLC	Total	1	313
Davidson	HOSP	Nashville General Hospital	Adult	1	1,561
Davidson	HOSP	Nashville General Hospital	Pediatric	1	3
Davidson	HOSP	Nashville General Hospital	Total	1	1,564
Davidson	ODC	Next Generation Imaging, LLC	Adult	1	857
Davidson	ODC	Next Generation Imaging, LLC	Pediatric	1	-
Davidson	ODC	Next Generation Imaging, LLC	Total	1	857
Davidson	H-Imaging	One Hundred Oaks Breast Center	Adult	1	934
Davidson	H-Imaging	One Hundred Oaks Breast Center	Pediatric	1	-
Davidson	H-Imaging	One Hundred Oaks Breast Center	Total	1	934
Davidson	ODC	One Hundred Oaks Imaging	Adult	2	8,013
Davidson	ODC	One Hundred Oaks Imaging	Pediatric	2	289
Davidson	ODC	One Hundred Oaks Imaging	Total	2	8,302
Davidson	ODC	Outpatient Diagnostic Center of Nashville	Adult	2	5,133
Davidson	ODC	Outpatient Diagnostic Center of Nashville	Pediatric	2	127
Davidson	ODC	Outpatient Diagnostic Center of Nashville	Total	2	5,260
Davidson	PO	Pain Management Group, PC	Adult	1	3,680
Davidson	PO	Pain Management Group, PC	Pediatric	1	-
Davidson	PO	Pain Management Group, PC	Total	1	3,680
Davidson	ODC	Premier Radiology Belle Meade	Adult	3	6,885
Davidson	ODC	Premier Radiology Belle Meade	Pediatric	3	45
Davidson	ODC	Premier Radiology Belle Meade	Total	3	6,930
Davidson	ODC	Premier Radiology Brentwood	Adult	1	2,497
Davidson	ODC	Premier Radiology Brentwood	Pediatric	1	20
Davidson	ODC	Premier Radiology Brentwood	Total	1	2,517
Davidson	ODC	Premier Radiology Hermitage	Adult	2	5,701
Davidson	ODC	Premier Radiology Hermitage	Pediatric	2	34
Davidson	ODC	Premier Radiology Hermitage	Total	2	5,735
Davidson	ODC	Premier Radiology Midtown	Adult	2	4,200
Davidson	ODC	Premier Radiology Midtown	Pediatric	2	15
Davidson	ODC	Premier Radiology Midtown	Total	2	4,215
Davidson	ODC	Premier Radiology Nashville	Adult	1	2,158
Davidson	ODC	Premier Radiology Nashville	Pediatric	1	7

SUPPLEMENTAL #2

May 30, 2017

11:07am

1. Section B, Need, Item 1 (Project Specific Criteria-Magnetic Resonance Imaging 4.)

2016 Health Care Providers that Utilize MRI's - Adult and Pediatric Utilization in Davidson County

Davidson	ODC	Premier Radiology Nashville	Total	1	2,165
Davidson	ODC	Premier Radiology St. Thomas West	Adult	1	2,882
Davidson	ODC	Premier Radiology St. Thomas West	Pediatric	1	7
Davidson	ODC	Premier Radiology St. Thomas West	Total	1	2,889
Davidson	ODC	Specialty MRI	Adult	1	799
Davidson	ODC	Specialty MRI	Pediatric	1	-
Davidson	ODC	Specialty MRI	Total	1	799
Davidson	HOSP	St. Thomas Midtown Hospital	Adult	1	3,148
Davidson	HOSP	St. Thomas Midtown Hospital	Pediatric	1	8
Davidson	HOSP	St. Thomas Midtown Hospital	Total	1	3,156
Davidson	HOSP	St. Thomas West Hospital	Adult	2	5,962
Davidson	HOSP	St. Thomas West Hospital	Pediatric	2	-
Davidson	HOSP	St. Thomas West Hospital	Total	2	5,962
Davidson	PO	Tennessee Oncology, PET Services	Adult	1	1,595
Davidson	PO	Tennessee Oncology, PET Services	Pediatric	1	-
Davidson	PO	Tennessee Oncology, PET Services	Total	1	1,595
Davidson	PO	Tennessee Orthopaedic Alliance Imaging	Adult	2	8,000
Davidson	PO	Tennessee Orthopaedic Alliance Imaging	Pediatric	2	150
Davidson	PO	Tennessee Orthopaedic Alliance Imaging	Total	2	8,150
Davidson	HOSP	TriStar Centennial Medical Center	Adult	3	9,088
Davidson	HOSP	TriStar Centennial Medical Center	Pediatric	3	667
Davidson	HOSP	TriStar Centennial Medical Center	Total	3	9,755
Davidson	HOSP	TriStar Skyline Medical Center	Adult	2	7,145
Davidson	HOSP	TriStar Skyline Medical Center	Pediatric	2	10
Davidson	HOSP	TriStar Skyline Medical Center	Total	2	7,155
Davidson	HOSP	TriStar Southern Hills Medical Center	Adult	1	2,923
Davidson	HOSP	TriStar Southern Hills Medical Center	Pediatric	1	7
Davidson	HOSP	TriStar Southern Hills Medical Center	Total	1	2,930
Davidson	HOSP	TriStar Summit Medical Center	Adult	1	4,265
Davidson	HOSP	TriStar Summit Medical Center	Pediatric	1	27
Davidson	HOSP	TriStar Summit Medical Center	Total	1	4,292
Davidson	HODC	TriStar Summit Medical Center - ODC	Adult	1	1,910
Davidson	HODC	TriStar Summit Medical Center - ODC	Pediatric	1	44
Davidson	HODC	TriStar Summit Medical Center - ODC	Total	1	1,954
Davidson	HOSP	Vanderbilt University Medical Center	Adult	6	24,180
Davidson	HOSP	Vanderbilt University Medical Center	Pediatric	6	6,617
Davidson	HOSP	Vanderbilt University Medical Center	Total	6	30,797

2. **Section B, Economic Feasibility Item 4 (Projected Data Chart)**

The "Other Operating Expense" line for both 2019 and 2020 in the Projected Data Chart for Vanderbilt University Medical Center-Total Facility does not match with the totals in the Other Expenses Chart.

Please address these discrepancies.

RESPONSE: Please find the updated chart attached.

SUPPLEMENTAL #2

May 30, 2017

11:07am

PROJECTED DATA CHART

		2019	2020
	Utilization Data (Patient Days)	309,173	342,364
A.	Revenues from Services to Patients		
1.	Inpatient Services	$3,895,672,709	$4,422,438,131
2.	Outpatient Services	$3,677,347,561	$3,680,410,894
3.	Emergency Services	$273,729,532	$273,729,532
4.	Other Operating Revenue	$39,131,317	$39,131,317
	Gross Operating Revenue	$7,885,881,119	$8,415,709,874
B.	Deductions from Revenue		
1.	Contractual Adjustments	(5,075,797,050)	(5,394,412,054)
2.	Provision for Charity Care	(268,864,664)	(310,740,981)
3.	Provisions for Bad Debt	(56,779,055)	(60,023,385)
	Total Deductions	(5,401,440,769)	(5,765,176,420)
	Net Operating Revenue	$2,484,440,350	$2,650,533,454
D.	Operating Expenses		
1.	Salaries and Wages		
	a. Direct Patient Care	$318,590,918	$355,071,584
	b. Non-Patient Care	$307,493,692	$307,493,692
2.	Physician's Salaries and Wages	$149,278,555	$149,278,555
3.	Supplies	$590,533,759	$617,640,982
4.	Rent		
	a. Paid to Affiliates	$1,137,208	$1,137,208
	b. Paid to Non-Affiliates	$17,765,104	$17,765,104
	Management Fees		
	a. Paid to Affiliates		
	b. Paid to Non-Affiliates		
	Other Operating Expenses	$709,895,374	$762,935,526
	Total Operating Expenses	$2,094,694,610	$2,211,322,651
E.	Earnings Before Interest, Taxes and Depr	$389,745,740	$439,210,803
F.	Non-Operating Expenses		
1.	Taxes	$1,168,485	$1,168,485
2.	Depreciation	$61,782,354	$67,158,579
3.	Interest	$44,013,121	$49,057,121
4.	Other Non-Operatng Expenses	(1,553,366)	(1,553,366)
	Total Non-Operating Expenses	$105,410,594	$115,830,819
	Net Income (loss)	$284,335,146	$323,379,984
G.	Other Deductions		
1.	a. Annual Principal Debt Repayment	$17,851,907	$20,563,907
2.	b. Annual Capital Expenditures	$51,560,642	$51,560,642
	Total Other Deductions	$69,412,549	$72,124,549
	Net Balance	$214,922,597	$251,255,435
	Depreciation	$61,782,354	$67,158,579
	Free Cash Flow (Net Balance + Depreciation)	$276,704,951	$318,414,014

PROJECTED DATA CHART - OTHER EXPENSES

		2019	2020
1.	General and Administrative	$318,378,953	$360,132,134
2.	Fringe Benefits	$187,770,689	$193,272,221
3.	Interest/ Lease	$0	$0
4.	Equipment and Machinery	$9,484,344	$13,845,819
5.	Laundry and Housekeeping	$0	$0
6.	Plant Operations	$86,943,388	$88,367,352
7.	Purchased Services	$107,318,000	$107,318,000
		$ 709,895,374	$ 762,935,526

SUPPLEMENTAL #2
May 30, 2017
11:07am

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void." **For this application the sixtieth (60th) day after written notification is July 14, 2017. If this application is not deemed complete by this date, the application will be deemed void.** Agency Rule 0720-10-.03(4) (d) (2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Re-submittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

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Should you have any questions or require additional information, please do not hesitate to contact this office.

Sincerely,

Mark A. Farber
Deputy Director

Enclosure

SUPPLEMENTAL #2
May 30, 2017
11:07am

MAY 30 '17 AM 11:08

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF Davidson

NAME OF FACILITY: Vanderbilt University Medical Center

I, C. Wright Pinson, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

C Wright Pinson
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 24th day of May, 2017, witness my hand at office in the County of Davidson, State of Tennessee.

Amanda L Bright
NOTARY PUBLIC

My commission expires 11/5/2018, _____.

AMANDA L. BRIGHT
STATE OF TENNESSEE NOTARY PUBLIC
DAVIDSON COUNTY
My Commission Expires NOV. 5, 2018

HF-0043

Revised 7/02